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DEBT, DISCIPLINE & RENTIER STATE

Published June 15, 2026 Updated about 5 hours ago

By Dr Ikramul Haq

Pakistan's economic debate with the release of Economic Survey 2025-26 and federal budget for 2026-27 has again been reduced to a familiar quarrel: more taxes, more loans, more austerity, more conditions by the International Monetary Fund (IMF).

Missing from this noise is a simple principle understood by every prudent household, farmer, trader and industrialist: in hardship, first reduce waste, live within means, stop borrowing for consumption, and then work hard to repay what is owed.

Borrowing is not immoral or uneconomic in itself. Borrowing to create productive capacity can be wise. Borrowing to pay interest on earlier expensive loans is slow suicide. This distinction has disappeared from Pakistan's fiscal policy.

A country may legitimately borrow for dams, railways, ports, universities, hospitals, technology, irrigation, climate resilience and reliable energy. Long-term low-rate loans for such purposes create assets. These assets raise productivity, expand incomes, improve social indicators and generate future tax capacity. Debt then becomes a bridge to development.

Pakistan's tragedy is different. Much of its borrowing now finances debt servicing, current expenditure, losses of state-owned enterprises, circular debt, subsidies, administrative sprawl and survival of an elite rentier order. New debt does not sufficiently create new productive capacity. It merely keeps yesterday's liabilities alive until tomorrow's loan arrives.

Official fiscal operations of the Ministry of Finance tell this story year after year. Interest payments have become the largest federal expenditure. Development spending is treated as residual.

The Public Sector Development Programme (PSDP) remains compressed while mark-up payments grow. The federal government celebrates primary surpluses, but the overall fiscal deficit survives because debt servicing eats the budget before development begins.

This is not an accident. It is the result of a wrong economic model.

Pakistan's rulers have followed the economics of postponement. When revenue falls short, borrow. When debt servicing rises, borrow more. When creditors demand adjustment, tax the already taxed. When development is squeezed, cut PSDP.

When provinces need resources for education, health and local services, create federal levies outside the divisible pool. When rentier sectors resist taxation, protect them. When loss-making state enterprises bleed, refinance them. When the next crisis arrives, call it unavoidable.

Even no household can survive this way. No business can survive this way. No state can survive this way indefinitely.

The first rule of fiscal recovery is discipline during

hardship. It does not mean blind austerity. It means distinguishing between expenditure that sustains life and capacity, and expenditure that sustains privilege. Schools, hospitals, water, sanitation, climate resilience, agriculture productivity, digital infrastructure and justice delivery are not waste.

Multiple ministries doing devolved provincial functions, subsidies for inefficiency, guaranteed returns to favoured sectors, tax exemptions for powerful lobbies and debt-funded current consumption are waste. Pakistan must therefore replace IMF-driven austerity with nationally owned prudence.

The second rule is that borrowing must be tied to productive assets. Every rupee borrowed should answer three questions. What asset will be created? How will it raise productivity or improve social welfare? How will it contribute to repayment capacity? Loans that fail this test should not be contracted.

This is especially important for external borrowing, where repayment requires foreign exchange. Projects financed by external debt must either earn foreign exchange, save foreign exchange, or create broad productivity gains strong enough to support future repayment.

The third rule is to stop confusing taxation with extraction. Pakistan does not lack taxable capacity. It lacks the courage to tax rent. Salaried persons, compliant businesses, bank account holders, electricity consumers, mobile phone users, exporters, contractors and professionals are repeatedly squeezed through withholding and indirect taxes. Meanwhile, large agricultural rents, speculative real estate gains, wholesale and retail margins and politically protected concessions remain inadequately taxed.

A state that taxes work more heavily than rent destroys productive incentives. It punishes documentation and rewards informality. It converts tax policy into a weapon against enterprise.

The fourth rule is to recover the hidden budget of the elite. The official Tax Expenditure Report 2026 has placed tax concessions at Rs. 2.353 trillion. This is not a footnote. It exceeds development allocations. A country pleading fiscal emergency cannot justify such a large hidden budget for selected beneficiaries while imposing new burdens on citizens already paying through withholding, utility bills, petroleum prices and inflation.

The fifth rule is to restore fiscal federalism. The growing reliance on petroleum levy instead of general sales tax (GST) on petroleum products has allowed the federation to retain revenues that would otherwise form part of the divisible pool. This may help Islamabad show better numbers. It weakens provinces and, indirectly, social services.

After the Constitution (Eighteenth Amendment) of Act 2010, education, health, agriculture, water supply and local development are largely provincial responsibilities. Extracting resources through non-divisible levies while demanding provincial cash surpluses undermines the constitutional design. This is how a fiscal crisis becomes a social crisis.

The sixth rule is to end the rentier state. A rentier state survives not by expanding production but by distributing privileges: plots, exemptions, guaranteed profits, protected markets, cheap public assets, regulatory favours and access to state contracts.

Such a state creates clients, not citizens; monopolies, not markets; and dependence, not productivity. Pakistan's repeated bankruptcies are symptoms of this deeper disease.

The seventh rule is hard work after stabilisation. Once waste is reduced and borrowing is redirected toward productive use, the economy must move from consumption-led survival to production-led recovery.

Agriculture must be modernised. Small and medium enterprises must be formalised through low-rate, simple and predictable taxes.

Exports must be freed from policy uncertainty. Energy pricing must reward efficiency rather than theft and circular debt.

Cities must be empowered to finance local infrastructure through property-based revenues. Human capital must be treated as investment, not charity.

Debt repayment cannot come from slogans. It comes from higher productivity, higher exports, higher savings, better governance and fairer taxation.

Pakistan does not need another ritual of temporary stabilisation. It needs a fiscal covenant based on prudence: live within means during hardship, borrow only for capacity creation, tax rent rather than work, remove unjustified concessions, reduce waste, and repay debt through growth generated by real production.

The present model has made Pakistan dependent, indebted and externally supervised. The new model must make it self-respecting, productive and fiscally sovereign. The choice is no longer between austerity and growth. The real choice is between debt-funded rentier survival and disciplined productive reconstruction.

BUDGET FY27

Published June 15, 2026 Updated about 5 hours ago

By Anjum Ibrahim

The expectations - voluntary ceding of the annual rise in the provincial share of the divisible pool to the Centre - premised on a much publicised debate between the Centre and its federating units had been raised to a fever pitch only to be dashed by the budget 2026-27 bringing to mind T S Eliot's famous proverb in his poem titled The Hollow Man - not with a bang but a whimper.

These expectations were reaffirmed a couple of hours before the budget was presented to parliament by Prime Minister Shehbaz Sharif during his televised address subsequent to formal cabinet approval of the budget as he praised his brother, the leader of his party, his niece, the Chief Minister Punjab, the leadership of the Pakistan Peoples' Party as well as the Balochistan and last, but perhaps not least, the Khyber Pakhtukhwa governments for cooperating with the Centre in agreeing to key budgetary proposals. The declaration by Finance Minister Muhammad Aurangzeb that this measure has been postponed till next year raises questions about whether he will be able to deliver on this pledge when he clearly failed to get a consensus on other aspects of this year's budget that required the intervention of the hybrid government as well as a 30- to 40-minute-long chat between the Prime Minister with the Managing Director of the International Monetary Fund (IMF).

Nonetheless, the budget does envisage generating about a trillion rupees more from the provinces in the current year – a rise that from an economic point of view cannot be supported: a rise in provincial surplus from 1379 billion rupees (revised estimates of 2025-26) to 1794 billion rupees in 2026-27 that would generate an additional 415 billion rupees for the Centre. And a reduction in the provincial budgeted allocation for development from 2.869 trillion rupees in the budget last year to 2.224 trillion next year or an additional 649 billion rupees that would accrue to the Centre.

Two observations are relevant. First, this accrual will be spent by the Centre on current non-development expenditure accounting for 93 percent of the total budget 2026-27 like last year, which is anti-growth and inflationary to boot as it is not backed by a rise in output. And second, it will further slow-down any move towards devolution, a policy that seeks to meet the needs/requirements of local communities. Instead, the Centre will take over project decision-making from the next tier of government, i.e., the provinces though one may assume that the more politically well-placed a party maybe the more the Centre will heed their demand for specific projects.

The question is: is there anything that is different about the budget from previous ones? There are five takeaways that show that little was changed in the budget.

First, the reliance on external borrowing is to rise to 23.3 billion dollars next year (at 290 rupees to the dollar parity) against the 19.9 billion dollars budgeted for the outgoing year but at last count only 11.068 billion dollars had been received in 2025-26 – an inflow that surely must be a source of concern to the government. This perhaps explains why the Finance Minister was at great pains during the unveiling of the Economic Survey a day prior to the budget presentation to emphasize the enhanced access to commercial borrowing, Panda ponds (only 250 million-dollars equivalent have been issued) and issuance of other debt equity instruments like Sukuk and Eurobonds. Total debt, including domestic debt and mark-up, is budgeted to rise next year by 16 percent – from the revised estimates of 6.9 trillion rupees to next year's 8.05 trillion rupees.

Not included in debt figures noted above, but a debt nonetheless is the estimated closing guaranteed debt position for the issuance of contingent liabilities on 30 June 2025 estimated at 3.950 trillion rupees in last year's budget, understated by 372 billion rupees as per the 2026-27 budget documents. The envisaged rise till 30 June 2027 is 5.005 trillion rupees or a rise of 16 percent.

Second, all components of current expenditure were raised and reflected the inability of the elite to show a reduction through either: (i) implementing reforms, pensions budgeted to receive 1.16 trillion rupees next year as opposed to 1.05 trillion rupees in the outgoing year, though

facetiously the documents note a 10 billion rupee pension fund though it is not clear whether this fund is set up at the taxpayers' expense or whether this is the outcome of the policy announced last year that envisages employee contribution effective for only new entrants. Defence was also upgraded by 412 billion rupees though the bulk of this for operational expenses due to the uptick in terror attacks (and one would assume the 7 percent pay raise for all state employees).

Third the budgeted development outlay is contained at one trillion rupees in 2026-27, the same amount as budgeted in 2025-26. However, actual disbursement by the Finance Ministry (as opposed to the authorisations by the Planning Ministry) in the outgoing year has to-date been less than 50 percent. The allocations are indicative of a long-standing PML-N philosophy, notably big infrastructure projects will promote development as well as the party's popularity. Sadly, here too the focus remained on roads rather than on water reservoirs, given that the country is now defined as severely water stressed.

Fourth, Federal Board of Revenue tax collections are budgeted to rise by 17.5 percent to 15.26 trillion rupees – the 2025-26 budgeted FBR collection was 14 trillion rupees that was revised downward to 12.9 trillion rupees (though FBR sources have revealed that the shortfall may still be in excess of 800 billion rupees). This indicates that the tax target, in yet another budget, is unrealistic.

In addition, the bulk of the government revenue is to be from sales tax whose incidence on the poor is greater than on the rich. It includes 4.9 trillion rupees under the head of sales tax, and another 5.3 trillion rupees from withholding taxes levied in the sales tax mode but credited under income tax (a practice that FBR does not desist from in spite of exhortation by the Auditor General of Pakistan). And kept outside the purview of the FBR (to ensure that it is not part of the divisible pool and therefore to be shared with the provinces) is the petroleum levy budgeted to generate 1.67 trillion rupees next fiscal year. In effect, the burden on the public through these three sales tax sources will be 11.8 trillion rupees next year – a fact that undermines the adequacy of the 838 billion rupees budgeted for the Benazir Income Support Programme, especially given poverty rate of 44 percent, if measured as per the calorific value.

And finally, the 4 percent growth next year may have to be revised downward given the severely contractionary monetary and fiscal policies in place due to the IMF's harsh and upfront conditions and in the words of the Annual Budget Statement 2026-27 "a one percentage point decline in real GDP growth could lower government revenues through reduced tax collections, while also increasing expenditure pressures, particularly on social safety nets."

PBA HAILS 'GROWTH-FOCUSSED' FEDERAL BUDGET

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By Rizwan Bhatti

KARACHI: The Pakistan Banks Association (PBA) has welcomed the Federal Budget 2026-27, describing it as the first budget in years to shift the country's focus from crisis management to sustainable economic growth while maintaining the fiscal discipline that underpinned Pakistan's recent macroeconomic recovery.

The PBA expressed confidence that banks are well positioned to expand financing to the private sector, citing the budget's commitment to fiscal consolidation, tax relief measures and incentives for exporters and the IT sector as key drivers of investment and economic growth.

According to PBA, the Budget keeps faith with fiscal discipline, holding the deficit at 3.6 percent of GDP and a primary surplus of 2 percent, while extending real relief through lower personal income tax, a reduction in super tax for the wider corporate sector, support for exporters, and an extension of the concessional regime for IT and IT-enabled services to 2029.

Growth is targeted at 4 percent, with independent analysts seeing further upside as confidence returns. The Association sees this balance, caution on the fiscal accounts, ambition on growth, as exactly the right setting, and one in which private credit, rather than public borrowing, can do the heavy lifting.

Commenting on the Budget, Zafar Masud, Chairman PBA, said that this is a Budget the industry can build on.

"The conditions for priority-sector lending are the best in over a decade and we intend to use them for the benefit of our economy, our businesses, and our people", he added.

Masud said that industry commitment is concrete: to drive SME financing from Rs 882 billion towards Rs 1.5 trillion by 2028, to revive mortgage & housing finance to achieve the 500,000 units target of the government by 2028, agriculture financing to cross Rs. 3.5 trillion disbursements during a year by 2028, promoting social impact projects, particularly in education and skill development, by leveraging the budgetary allocations to meet the international health and education funding commitment standard benchmark of 5 percent+ each, and to keep export credit flowing at competitive rates.

To make the most of this positive environment, we look forward to working with the Government and the State Bank of Pakistan on a consistent and predictable tax regime, documentation that reinforces financial inclusion, and risk-sharing that unlocks lending to priority sectors with both social as well as economic multipliers for sustainable growth, he added.

Measures in the Budget to revive property and housing, digital payments, exports and technology are expected to support a recovery in private credit. The breadth of recent progress underscores the point: workers' remittances reached a record USD 38.3 billion, the Roshan Digital Account has channelled over USD 12 billion through formal channels, and the banking system now serves some 103 million depositors across nearly 268 million deposit accounts.

Muneer Kamal, CEO & Secretary General - PBA, said that this Budget is its shift from stabilisation towards growth, and the banking industry is ready to carry its share of that load.

"We will keep credit flowing to the productive sectors — housing, exports, technology and, above all, the SMEs that will drive the next phase of job creation. The foundations are strong, the outlook is encouraging, and the industry is fully committed to building on both", he added.

Over the last two years the industry has delivered in an unparalleled fashion across SME, agriculture and housing and in low-cost housing the industry approved Rs 100 billion to some 67,000 beneficiaries in just two months, he informed.

The Association reaffirmed that, with these foundations in place, the industry stands fully behind the Government's growth agenda as the recovery takes hold.

Accordingly to PBA, the banking industry has not waited to be asked. Over the past two years, it has repeatedly used its own balance sheet, at no cost to the exchequer and without sovereign guarantees, to unlock problems that had stalled the economy:

On Circular Debt, the industry coordinated the restructuring of Rs 1.225 trillion of power-sector circular debt at concessional rates, easing a burden that had choked the energy chain for years. It also restructured Rs 268 billion of PIA debt, clearing the way for the first major privatisation in two decades.

The industry also voluntarily reduced its margin on the Export Refinance Facility, bringing the cost of export financing down to 4.5 percent - acting ahead of the curve to keep exporters competitive.

FEDERAL BUDGET: GIVES WITH ONE HAND; TAKES AWAY WITH THE OTHER

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By Ali Khizar

The federal budget for FY27 has been greeted with celebration in certain quarters. The celebration may prove premature.

This is not a pro-growth budget, nor an expansionary one. Overall development spending, federal and provincial combined is set to decline. The fiscal space that has been created is being redirected largely toward a narrow elite whose consumption patterns will not meaningfully move the growth needle. At the federal level, this is a relief budget, and one that is, on paper, being financed by cutting provincial development spending.

The government is attempting to address a structural flaw in fiscal federalism, but through unconventional means. The IMF noted as far back as its 2017 special report that Pakistan's fiscal system is "somewhat unique compared to other countries", a uniqueness rooted in the substantial asymmetry produced by the 7th NFC Award, where the provincial share in revenue far exceeded their share in resource mobilization.

For years, the federal government has done the heavy lifting on revenue generation while provinces have spent lavishly. The provincial surpluses generated in recent years have largely remained parked with the provinces, eventually financing federal fiscal gaps by flowing into T-bills. These accumulated surpluses are dry powder, held in reserve to be deployed once the IMF programme ends.

The FY27 budget attempts, on paper, to correct this by transferring just over Rs1 trillion to the federal government. This creates room for Islamabad to lower taxes without cutting expenditure, while maintaining the targeted fiscal balance. There are, however, technical complications. Provinces receive their full revenue share until FBR collections reach Rs13.35 trillion, beyond which the incremental share is transferred as a grant to the federal government. If the FBR misses its target, provinces retain full revenue exposure rather than the standard 43 percent. The arrangement also rests on voluntary provincial cooperation, which is not a structural fix.

The federal government has used this space to provide relief to segments of the formal, affluent, and middle-income population, including salaried individuals whose tax burden was raised sharply and disproportionately in recent years. They are paying less than before, though still more than they were in 2022. Exporters will see better earnings on paper. But there is little in this budget to drive investment in productive capacity. No one appears keen to commit to new projects.

The affluent will spend more, likely on imported goods and services. Salaried households will have marginally more disposable income. But neither creates the kind of demand multiplier that shifts growth trajectories. And for the poor and the informal lower- and middle-income classes, there is essentially nothing. Whatever benefit trickles down will barely offset the direct and indirect costs of higher petroleum levies already in the pipeline.

The FBR's targets are ambitious to the point of implausibility. Direct tax collection is projected to grow by 18.3 percent against nominal GDP expansion of 13.2 percent, and this while offering reliefs. Customs duty is expected to increase by 20 percent even as the SBP continues to discourage non-essential imports and trade tariffs trend downward. The arithmetic does not hold together comfortably.

When the gaps materialize, and they likely will, the pressure will fall back on the FBR to perform. That means squeezing the formal sector further: demanding advance payments, applying coercive collection measures, and revisiting the same taxpayers who are currently celebrating. The jubilation of the affluent may prove short-lived.

Meanwhile, the government has significant room to increase petroleum levies without passing through the full impact to consumers, particularly if a prospective Iran-US deal keeps oil prices contained. Other forms of indirect taxation remain available. These instruments, when deployed, land hardest on those least able to absorb them.

This budget has been received as a turning point by a small group of people looking only at the relief side of the ledger. They are not accounting for the other side. The relief is real, but it rests on paper targets.

When those targets are missed, as they have been in prior cycles, the IMF will push for enforcement, and the government will reach back into the same pockets it has just partially emptied, while leaning on indirect taxes that compress the living standards of ordinary Pakistanis.

Caution is warranted. Some inflationary consequences are likely. The central bank would be wise to maintain its hawkish stance.

FEDERAL BUDGET WILL HELP RESTORE BUSINESS CONFIDENCE: KATI

Published June 15, 2026 Updated about 5 hours ago

By Recorder Report

KARACHI: President of the Korangi Association of Trade and Industry (KATI), Muhammad Ikram Rajput, has described the federal government's; Rs 18.771 trillion budget for fiscal year 2026-27 as a positive step toward restoring business confidence, reviving industrial activity, and promoting economic growth.

However, he emphasized that the budget's success would ultimately depend on effective implementation, industrial facilitation, and tangible measures to enhance exports.

Rajput noted that the government has set ambitious targets of Rs15.264 trillion in tax revenue and Rs5.336 trillion in non-tax revenue. Given the prevailing economic conditions and Pakistan's position as one of the highest-cost production environments in the region, achieving these targets would be a significant challenge, he said.

He stressed that sustainable economic growth requires expanding the tax base and documenting the economy rather than imposing additional burdens on existing taxpayers.

Welcoming the allocation of Rs10 billion for Karachi's K-IV Bulk Water Supply Project, Rajput said Karachi remains the industrial and economic lifeline of Pakistan but has suffered for decades from inadequate infrastructure and basic public services. He remarked that the timely completion of the K-IV project is not only critical for Karachi but also for the national economy.

However, he expressed concern that the budget lacks a clear policy framework for highways and broader infrastructure development.

Given Karachi's contribution to industrial output, investment, and national revenue, he urged the federal government to allocate additional resources for the city's development projects.

The KATI president also welcomed the abolition of the 9 percent surcharge on salaried individuals and the reduction in income tax slabs, describing these measures as positive for economic activity. He further appreciated the increase in the minimum wage but argued that the budget largely overlooks measures aimed at increasing industrial profitability and promoting industrialization across the country.

Rajput described the proposed reduction in super tax and the abolition of Capital Value Tax (CVT) on foreign assets as major relief measures for the business community.

He noted that the complete elimination of super tax on income up to Rs500 million and the reduction of the tax rate from 10 percent to 8 percent on higher incomes had long been key demands of the industrial sector. The reduction in super tax is expected to encourage investment, lower business costs, and support industrial expansion, ultimately generating positive impacts on employment and national income, he noted.

Commenting on the export sector, he acknowledged that the budget contains certain positive measures for exporters but cautioned that tax relief alone would not be sufficient to achieve substantial export growth.

He called on the government to reduce energy costs for industry, ensure timely payment of export refunds, strengthen export financing schemes, and introduce industrial reforms aimed at lowering production costs and improving competitiveness in international markets.

FBATI WELCOMES FEDERAL BUDGET CAUTIOUSLY

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By Recorder Report

KARACHI: While reacting to the budget, the President of the Federal B. Area Association of Trade & Industry (FBATI), Sheikh Muhammad Tehseen, stated that though the budget contained certain positive measures for the selected sectors, yet it had failed to fully address the critical challenges being faced by the industrial and export sectors of the country.

He expressed serious concerns over the government's silence regarding the long-pending issue of industrial refunds and the absence of any meaningful relief in energy tariffs.

He said that delayed refund payments continued to create severe liquidity constraints for the industries, particularly for the exporters, while high electricity and gas costs had been significantly eroding the competitiveness of Pakistani products in international markets.

Sheikh Tehseen noted that the budget lacked a comprehensive roadmap for industrial growth and did not present a vision capable of triggering an industrial revival.

He said that small and medium-size enterprises (SMEs), which formed the backbone of the country's manufacturing and export sectors, had not been provided with sufficient incentives, financing facilities, or tax relief measures. As a result, these industries would continue to face operational difficulties, limiting their ability to expand production, create employment opportunities, and increase exports.

The FBATI president emphasized that Pakistan's economic stability and sustainable growth depended heavily on industrial expansion and export-led development. He said that without reducing the cost of doing business and providing a conducive environment for manufacturing, it would be difficult to achieve the government's economic targets.

Commenting on the positive aspects of the budget, Sheikh Tehseen welcomed the relief measures announced for the property and travel sectors, stating that those initiatives might contribute to increased economic activity and investment.

However, he said that greater attention should have been given to the industrial and export sectors, which were the primary drivers of foreign exchange earnings and employment generation.

He urged the government to formulate a comprehensive post-budget industrial policy focused on export promotion, energy cost rationalization, timely refund payments, industrial modernization, and enhanced support for the SMEs. Such measures, he said, were essential for strengthening Pakistan's industrial base, improving competitiveness, and ensuring long-term economic growth.

Sheikh Tehseen reaffirmed the commitment of the Federal B. Area Association of Trade & Industry to work closely with the government and relevant stakeholders for the development of industry and the promotion of exports, while continuing to advocate for policies that supported sustainable industrial growth and economic prosperity.

AGRICULTURE SECTOR: BUDGET REFLECTS FISCAL DISCIPLINE, STABILITY GOAL

Published June 15, 2026 Updated about 5 hours ago

By Zahid Baig

LAHORE: Agriculture Republic, a think tank reflecting on agri issues, has claimed that the Finance Bill 2026-27 reflects the government's commitment to maintaining macroeconomic stability and fiscal discipline while preserving existing tax reliefs for the agriculture sector.

However, Pakistan now needs a stronger focus on agricultural transformation, climate resilience, and post-harvest infrastructure to unlock long-term growth.

Aamer Hayat Bhandara, a progressive farmer, and Co-Founder of Agriculture Republic while talking to BUSINESS RECORDER said that the continuation of tax concessions on seeds, fertilizers, tractors, livestock inputs, and agricultural machinery will help avoid further increases in production costs for farmers. However, these measures largely maintain existing support rather than introducing major new interventions.

"At a time when Pakistan's agriculture is facing increasing threats from climate change, water scarcity, heat stress, droughts, floods, and declining productivity growth, there is a need for a more comprehensive climate finance framework for farmers," Aamer added.

He emphasized that since climate change, food security, and water management fall within the federal government's policy domain, greater coordination is needed among the Ministry of Climate Change, Ministry of National Food Security, Research, and Ministry of Water Resources to facilitate climate-smart investments, adaptation financing, water-efficient technologies, climate risk insurance, and resilient agricultural systems.

Bhandara welcomed initiatives such as Zarkhez and broader efforts under the Special Investment Facilitation Council (SIFC), which aim to attract investment into agriculture, improve value chains, and modernize the sector.

He noted that these initiatives can play an important role in improving productivity and strengthening food security if implemented effectively and made accessible to farmers. He further stressed that one of the most overlooked challenges in Pakistan's agriculture sector remains post-harvest losses. Significant quantities of fruits, vegetables, grains, and other commodities are lost every year due to inadequate storage, cold chain facilities, processing capacity, and logistics.

BUDGET NEGLECTS CLIMATE COSTS BORNE BY WORKERS: SPEAKERS

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By Press Release

KARACHI: Speakers at a conference organised by the Pakistan Institute of Labour Education and Research (PILER) on Saturday called on the government to treat climate change as a labour crisis and demanded that the federal budget reflect the disproportionate burden the climate emergency places on the working class.

The conference, held in memory of PILER founder Karamat Ali at the Haseena Moeen Hall, Arts Council of Pakistan Karachi, brought together economists, human rights advocates, trade unionists and artists under the theme Workers and the Current Economic Situation.

Former State Bank of Pakistan governor Dr Ishrat Husain, speaking as a senior economist, warned that Pakistan's informal sector — estimated at 80 to 85 per cent of the economy — remains entirely outside the protection of climate or social policy. "Manufacturing is being outsourced, the gig economy is expanding, and food delivery and ride-hailing workers are multiplying — yet none of this is captured in our budgetary frameworks," he said.

Dr Husain pointed to deepening income inequality as a structural threat, noting that rising billionaire wealth in South Asia coexists with mass poverty in regions such as Bihar and Uttar Pradesh. "This inequality is snake venom for social cohesion," he said.

Abbas Haider, Director of PILER, raised alarm over the recently proposed Sindh Labour Code, which he said was effectively stripping workers of hard-won rights through redefinition of key terms. He also highlighted research conducted by PILER in Karachi's industrial areas showing that power loadshedding in working-class neighbourhoods had increased domestic violence and deepened economic precarity for daily-wage earners.

Haider also drew attention to the 2012 Baldia factory fire, in which 259 workers perished, he held employers and government agencies responsible for the tragedy, saying their criminal neglect of workplace safety had caused the deaths. He said due to weak prosecution workers were left without justice and sent a dangerous signal that corporate and state impunity for safety failures would go unpunished.

Architect and urban planner Arif Hasan, the guest of honour, told the audience that climate adaptation required structural changes at the household and community level. He recommended practical heat mitigation measures including cross-ventilation, insulated roofing and reflective wall coatings as low-cost interventions for working-class localities.

"The heat wave challenge can be solved," he said, "but it requires research, root-level finding, and practical work."

HRCP Chairperson Asad Iqbal Butt expressed concern over the broader human rights environment, describing enforced disappearances as Pakistan's most critical ongoing crisis. He said that while laws existed on paper — covering forced conversions, child marriages and honour killings — implementation remained negligible.

Historian Dr Jaffar Ahmed, speaking on the constitutional vision of Karamat Ali, said the labour leader had focused his life's work on three pillars: raising awareness of existing rights, ensuring their implementation, and securing constitutional reforms to extend protections to women, children and informal workers. "He urged the labour movement to gather its disintegrated forces," Dr Ahmed said.

Trade union leader Abdul Latif Nizamani, Convener of the National Labour Council, called for the revival of the Pakistan Labour Council as a unified platform to carry forward Karamat Ali's organisational legacy.

Women Action Forum leader Mehnaz Rahman said that progress on labour rights was inseparable from gender justice, arguing that women's issues must be brought fully under the ambit of working-class struggles.

Artist and activist Sheema Kirmani, recalling the 1972 Feroz Textile Movement in which three workers were killed in police firing, criticised the erasure of women's leadership from labour movement history.

Economist Qaiser Bengali noted that Karamat Ali had begun resisting injustice at the age of ten and had built a training infrastructure that gave trade unionists the tools to negotiate with governments, businesses and courts alike.

PYMA CHIEF TERMS BUDGET 'ELITIST'

Published June 15, 2026 Updated about 5 hours ago

By Recorder Report

KARACHI: Pakistan Yarn Merchants Association (PYMA) Chairman Saqib Goodluck has termed the budget an "elitist budget", accusing the government of completely ignoring the small and medium enterprises (SMEs) and failing to fulfill longstanding commitments made to the textile trade community.

Goodluck said the PYMA had repeatedly demanded the removal of "discriminatory policies" that privileged the manufacturers and the industrial sector.

"Unless this divide is eliminated, equal business opportunities cannot be ensured, and the gulf between trade and industry will only widen," he warned.

He noted that the PYMA had submitted detailed proposals to the government and the Federal Board of Revenue (FBR) ahead of the budget, urging measures to create a level-playing field for all the stakeholders. "Regrettably, none of those proposals were considered, leaving traders disappointed once again," he added.

Goodluck criticized the government for neglecting the SME sector's pressing challenges and failing to address structural imbalances in the textile value chain.

He pointed out that while fabric remained relatively cheaper, raw material and intermediate yarn had been expensive, raising business costs and putting the local traders under severe pressure.

"The budget neither reviewed the duty structure nor attempted to resolve fundamental issues undermining the competitiveness of the textile trade," he said.

The PYMA chairman demanded of the government to honor its pre-budget commitments, extend genuine relief to the SMEs, and abolish "discriminatory" policies between manufacturers and traders.

"Only by ensuring equal opportunities across all business sectors can Pakistan's economy and trade truly flourish," he concluded.

SENATE TO BEGIN DEBATE ON PROPOSED FEDERAL BUDGET TODAY

Published June 15, 2026 Updated about 5 hours ago

By Sardar Sikander Shaheen

ISLAMABAD: The Upper House of the Parliament is scheduled to begin debate on the proposed federal budget for the financial year on Monday (today).

Chairman Senate Yousaf Raza Gilani had adjourned the Senate sitting till today after Finance Minister Muhammad Aurangzeb moved a copy of the Finance Bill 2026 in the Senate earlier on Friday, amidst protest by the opposition lawmakers who rejected the proposed federal budget for the upcoming fiscal year.

In the brief Senate sitting on Friday, the Finance minister laid a copy of the proposed Finance Bill 2025, shortly after presenting it in the National Assembly, in the Senate, in accordance with the relevant constitutional provisions, following which, the chairman Senate directed the senators to share their recommendations, if any, on the bill by 15th June (today).

The chairman then referred the bill to the Senate Standing Committee on Finance and Revenue with the direction to finalise its recommendations on the bill.

The opposition lawmakers in the Senate dismissed the Finance Bill 2026 as "anti-poor" and "anti-public."

Legislatively, the Upper House of the Parliament has no practical role in the passage of the federal budget. The Senate can hold extensive debate on the finance bill and devise recommendations accordingly, but it has no role in budgetary legislation. It is completely up to the National Assembly to either accept those recommendations or reject them completely or partially.

The Article 73 of the Constitution of Pakistan, which deals with parliamentary business with respect to money bills, reads that a money bill shall "originate in the National Assembly: Provided that simultaneously when a money bill, including the finance bill containing the annual budget statement, is presented in the National Assembly, a copy thereof shall be transmitted to the Senate which may, within 14 days, make recommendations thereon to the National Assembly."

NA WITNESSES HEATED DEBATE ON BUDGET

Published June 15, 2026 Updated about 5 hours ago

By Naveed ButtZulfiqar Ahmad

ISLAMABAD: In a heated National Assembly session on Sunday, the government's claims of economic recovery were aggressively challenged by opposition lawmakers who dismissed the government claim of stabilisation of economy.

The discussion ostensibly focused on the federal budget for 2026-27, frequently veered into familiar political battlegrounds, with treasury and opposition members sparring over governance records, accountability cases and democratic norms. At several points, tempers flared, prompting noisy exchanges across the House.

Leading the opposition charge, senior PTI leader and ex-National Assembly speaker Asad Qaiser challenged the government's portrayal of an economy on the mend, arguing that official claims stood in stark contrast to the hardships being experienced by citizens.

Questioning the government's narrative of recovery, the PTI leader demanded a comprehensive parliamentary debate on the country's mounting debt burden and asked lawmakers to examine how much debt had been inherited by the current administration, and how much had been accumulated during its tenure.

Turning to the agriculture sector, Qaiser painted a grim picture of the plight of wheat farmers in Punjab, accusing the government of pursuing policies that had compounded the difficulties of growers already grappling with escalating production costs.

He claimed that investment had declined, many multinational firms had exited the country and unemployment had increased despite official claims of economic improvement. "What practical relief has reached the people," Qaiser asked, contending that economic challenges could not be addressed without political stability, transparent governance and public trust in state institutions.

Reaffirming PTI's support for judicial independence and parliamentary supremacy, Qaiser said his party remained open to dialogue on a charter of economy and called for an election commission acceptable to all political stakeholders.

Drawing attention to issues in his constituency, he said nearly 70 per cent of Pakistan's tobacco production came from his province, yet growers continued to struggle.

He also highlighted prolonged power outages in areas surrounding Tarbela Dam, saying residents remained subjected to load-shedding despite living near one of the country's most important power-generating facilities.

His remarks provoked an immediate response from treasury benches, particularly Planning Minister Ahsan Iqbal, triggering heated exchanges and brief disorder in the House.

Responding forcefully, Iqbal accused the opposition of relying on political rhetoric rather than facts and sought to turn the spotlight back on PTI's own record in government.

The minister alleged that democratic norms had suffered during the PTI administration and claimed opposition members at the time had repeatedly struggled to obtain production orders for detained parliamentarians.

He also accused the former government of weaponising accountability institutions against political opponents, recalling that several senior PML-N leaders – including Nawaz Sharif, Prime Minister Shehbaz Sharif, Maryam Nawaz, Khawaja Asif, Saad Rafique, Hamza Shehbaz and Rana Sanaullah – had spent time behind bars.

In a pointed rebuttal to Qaiser's criticism, Iqbal cited federal development initiatives in Swabi and noted that a university had been established there, adding that he had personally laid its foundation stone.

Another PTI lawmaker, Shahid Khattak, shifted attention to household finances, saying soaring electricity and gas bills had made daily life increasingly difficult for households. He argued that indirect taxation had sharply increased fuel prices and added to pressure on consumers.

Khattak also accused the government of politically targeting PTI workers and alleged that the party's founding chairman was being denied access to his personal physician while in custody.

He maintained that sustainable economic activity and tourism could not flourish without peace and stability and highlighted the difficulties faced by low-income households amid inflation and rising petroleum prices.

PTI's Amir Dogar called for an immediate reduction in the petroleum levy, arguing that consumers deserved direct relief instead of promises of future benefits.

JUI-F lawmaker Shahida Begum pressed for a reduction in the general sales tax, saying the burden of indirect taxation was falling disproportionately on poorer segments of society.

PPP MNA Sharmila Faruqui delivered one of the sharpest critiques from the government's ally benches, arguing that the budget appeared more responsive to affluent groups than to citizens struggling with the rising cost of living.

Questioning official poverty calculations, she said they bore little resemblance to realities faced by ordinary people.

Citing the price of a Samosa in Islamabad at around Rs50, she mocked official estimates suggesting an individual could meet daily needs with Rs32.

She further argued that the electricity and petroleum prices remained higher than those of several neighbouring countries despite repeated assurances of economic improvement.

Looking beyond the immediate budget cycle, Faruqui warned that the country's population could reach 390 million by 2050, potentially creating severe social and economic pressures in the absence of serious long-term planning.

As criticism mounted from opposition benches, Information Minister Attaullah Tarar mounted a robust defence of the government's economic record and, in a pointed appeal across the aisle, urged the opposition to come on board and sign a charter of economy to steer the country's economy "once and for all."

Citing official figures, he said inflation had fallen to single digits, the policy rate had dropped from more than 22pc to 11pc, foreign exchange reserves had increased to USD 17.2 billion and gross domestic product growth had reached 3.7pc.

He also pointed to record remittance inflows, growth in information technology exports and improvements in fiscal indicators as evidence that the economy was showing signs of improvement.

Defending the government's revenue strategy, Tarar said reforms within the Federal Board of Revenue (FBR) had strengthened transparency and enforcement, enabling authorities to recover billions of rupees through administrative measures and action against tax evasion.

As the debate drew on, members from both sides remained deeply divided over the budget's direction.

Opposition members dismissed it as "IMF-dictated", "pro-industrialist" and "anti-poor", arguing that it offered little relief to struggling households.

Treasury members, meanwhile, hailed it as evidence of economic recovery and credited Prime Minister Shehbaz Sharif and his economic team, led by Finance Minister Muhammad Aurangzeb, for steering the country towards stability.

PETROLEUM LEVY TARGET LOOKS EASILY ACHIEVABLE

Published June 15, 2026 Updated about 5 hours ago

By BR Research

The FY27 budget leaves little room for ambiguity. In line with IMF expectations, the government has pencilled in petroleum levy (PL) collections of Rs1.7 trillion, up 27 percent from the estimated actual collection in FY26. With domestic petroleum sales assumed to remain broadly unchanged at around 17 billion litres, the math points towards an effective levy requirement of close to Rs100/litre each on petrol and high-speed diesel (HSD).

Add the existing pricing structure and the combined PL take would need to approach Rs180/litre, compared to roughly Rs160/litre currently being extracted from consumers. The government has, in recent years, shown little hesitation in maximising PL collections, even if it means lowering taxes on HSD and cross-subsidising it through higher charges on petrol.

One interesting deviation from expectations is the absence of any upward revision in the Carbon Support Levy (CSL) target. The previous trajectory implied collections doubling to around Rs48 billion, effectively raising the levy from Rs2.5/litre to Rs5/litre. That increase has, for now, been shelved, and it is difficult to imagine that happening without the IMF's acquiescence.

The broader direction, however, remains unchanged. The IMF has consistently pushed for heavier taxation of fossil fuels, viewing it as a way to internalise the environmental and economic externalities associated with hydrocarbon consumption. Pakistan, unlike many jurisdictions, does not levy GST on petroleum products, and even after the recent increases, the tax burden still falls short of what the Fund and its development partners typically consider appropriate for transportation fuels.

From a revenue standpoint, the target looks attainable, particularly if international crude prices soften over the course of FY27. Lower oil prices create fiscal space for the government to capture a larger share through levies without triggering an immediate consumer backlash. There is also the possibility of some demand recovery if pump prices remain contained.

Yet the bigger story is the growing dependence on petroleum taxation to keep the fiscal engine running. Levies on fuel have increasingly become the backbone of non-tax revenue mobilisation, making the government's finances more exposed to demand destruction, fuel substitution, or supply disruptions. With geopolitical tensions once again threatening volatility in global energy markets, putting an ever-larger share of the fiscal burden on petroleum consumption is not without risk.

FINANCE BILL 2026 PROPOSES 100% HIGHER TAX FOR NON-FILER STOCK MARKET INVESTORS

Budget 2026-27 Stock & Commodity Taxation

June 15, 2026Faisal Shahnawaz

Proposed amendment withdraws tax exclusion and subjects non-ATL investors to significantly higher tax on securities transactions

ISLAMABAD: The Finance Bill 2026 has proposed a significant increase in the tax burden on stock market investors who are not listed on the Active Taxpayers List (ATL), reinforcing the government's strategy to encourage tax compliance and documentation.

Under the proposed amendment to the Income Tax Ordinance 2001, the tax collected on capital gains from the disposal of securities under Section 37A will effectively be doubled for investors who do not appear on the ATL.

Withdrawal of existing tax exclusion

The proposal seeks to omit sub-rule (y) of Rule 10 of the Tenth Schedule to the Income Tax Ordinance.

The provision was originally introduced through the Finance Act 2024 after progressive tax rates for non-filers were imposed on gains arising from the disposal of securities. Those rates carried a minimum tax of 15 per cent and varied according to the applicable tax slabs contained in Division I of Part I of the First Schedule.

Sub-rule (y) excluded tax collected under Section 37A from the application of the Tenth Schedule.

Subsequently, the Finance Act 2025 amended the provision and restricted the exclusion to securities acquired on or after July 1, 2025.

The Finance Bill 2026 now proposes to remove the exclusion altogether.

Tax burden to rise for non-ATL investors

Tax experts say that the proposed omission will result in a 100 per cent increase in the tax collected under Section 37A for persons who are not included on the Active Taxpayers List.

The move is expected to widen the tax differential between compliant taxpayers and non-filers, making ATL status increasingly important for investors participating in Pakistan's capital markets.

Authorities believe the measure will encourage more investors to file tax returns and maintain active taxpayer status to avoid higher tax costs on securities transactions.

Part of broader compliance drive

The proposal forms part of a broader package of tax measures included in the Finance Bill 2026 aimed at strengthening compliance, expanding the documented economy and increasing revenue collection.

Recent budget proposals have also included higher penalties for late tax return filing, increased costs for ATL restoration and stricter tax treatment for non-filers across various sectors of the economy.

The government has consistently sought to use tax policy to incentivise taxpayers to join and remain on the Active Taxpayers List.

Impact on capital market participants

Market participants are closely reviewing the proposed changes, as the higher tax burden could affect investment decisions for individuals and entities that have not fulfilled their tax filing obligations.

Tax advisers note that investors who maintain ATL status will continue to benefit from lower tax rates compared with non-filers, preserving the government's policy of rewarding tax compliance.

If approved by Parliament, the amendment will further strengthen the distinction between active taxpayers and non-filers, while increasing the cost of investing in the stock market without being part of the documented tax system.

BUDGET 2026–27 SHOCKER: ELITE GET MASSIVE TAX CUTS WHILE LOWER INCOME FAMILIES LEFT BEHIND

Budget 2026-27 Taxation

June 15, 2026Faisal Shahnawaz

Cold numbers, harsh reality: Finance Bill, 2026 slashes tax rates for high-earning elites while ignoring the backbone of the workforce.

ISLAMABAD — The government's loudly proclaimed "people-friendly" Budget for 2026–27 has unmasked a bitter, polarizing reality. While state rhetoric promises relief for the masses, a deep dive into the Finance Bill, 2026 reveals a stunning twist: lower-income salaried individuals will receive absolutely zero tax relief, while elite, high-earning executives walk away with massive, six-figure tax cuts.

Independent analysis of the proposed income tax slabs reveals an upside-down strategy that facilitates the wealthy while completely ignoring the crushing economic burden on middle and lower-income workers.

The Anatomy of Inequality: New Slabs vs. Old Reality

The proposed restructuring of income tax slabs meticulously protects or lowers the tax burden—but only if you make millions. For those struggling at the bottom of the ladder, the tax structure remains stubbornly rigid.

According to the Finance Bill, the tax brackets up to Rs2,200,000 annually see zero change in their rates. The tax cuts only kick into high gear once an individual's annual income crosses the Rs2.2 million threshold, dropping percentage rates by as much as 3% to 5% for higher brackets.

KPMG Analysis Exposes the Elite Bias

A damning impact analysis prepared by KPMG Chartered Accountants lays bare the grim math of the new budget.

If you earn a monthly salary of Rs50,000, Rs100,000, or even Rs183,333, your tax bill will not drop by a single rupee. Meanwhile, corporate directors and high-income elites earning up to Rs1,000,000 a month will enjoy windfalls of over half a million rupees in annual tax savings.

Winners vs. Losers: The Salaried Income Breakdown

Gross Monthly Salary (Rs.)	Gross Annual Salary (Rs.)	Existing Tax (Rs.)	Proposed Tax (Rs.)	Annual Tax Savings (Rs.)	Tax Reduction (%)
50,000 (Lower Class)	600,000	0	0	0	0% (NO RELIEF)
100,000 (Lower-Middle)	1,200,000	6,000	6,000	0	0% (NO RELIEF)
183,333 (Middle Class)	2,200,000	116,000	116,000	0	0% (NO RELIEF)
266,667	3,200,000	346,000	316,000	30,000	8.67%
341,667	4,100,000	616,000	541,000	75,000	12.18%
583,333 (Upper-Middle)	7,000,000	1,631,000	1,424,000	207,000	12.69%
1,000,000 (Elite Earners)	12,000,000	3,685,290	3,174,000	511,290	13.87% CUT!

A Bitter Pill for the Working Class

“This budget protects the wealthy while leaving the salaried working class to fend for itself against crushing inflation.”

The data paints a devastating picture of fiscal disparity. An executive making Rs10 Lakh a month gets a massive Rs511,290 slashed from their annual tax liability. Conversely, the office clerk, the teacher, and the mid-level manager—who are bearing the brunt of historic inflation—receive an insulting 0% relief.

While the government attempts to market Budget 2026–27 as a populist victory, the cold, hard numbers tell a radically different story: it is a goldmine for elite earners and a stark abandonment of the country’s economic backbone.

MISS RETURN FILING DEADLINE, PAY UP TO 2,500% MORE SURCHARGES TO SAVE YOUR ATL STATUS!

Budget 2026-27 Taxation

June 14, 2026Faisal Shahnawaz

Late tax return filers may face substantially higher costs to regain Active Taxpayer List status under proposed amendments

ISLAMABAD — If you think missing the income tax return deadline is just a minor compliance hiccup, think again. The newly unveiled Finance Bill, 2026 has dropped a absolute bombshell on taxpayers, proposing an astronomical, jaw-dropping hike in late-filing surcharges just to stay on the Active Taxpayers List (ATL).

If you snooze this year, your wallet is going to feel an unprecedented squeeze.

The Price of Procrastination: The New Reality

Under the shocking new proposals, the penalty for filing late isn’t just a slap on the wrist—it’s a financial sledgehammer. The government is aggressively targeting late filers by hiking the ATL reinstatement surcharge by up to 500%.

For individual salaried or business taxpayers, the penalty is skyrocketing from a negligible amount to a massive financial burden. Companies and Associations of Persons (AOPs) face even more brutal penalties that could severely disrupt their cash flows.

Here is the breakdown of the proposed financial damage:

Taxpayer Category	Existing Surcharge	Proposed Surcharge	Percentage Increase
🏢 Company	Rs. 20,000	Rs. 100,000	📈 500% Increase
Association of Persons (AOP)	Rs. 10,000	Rs. 50,000	📈 500% Increase
👤 Individual	Rs. 1,000	Rs. 25,000	📈 2,500% Increase!

Why Being Blocked from the ATL is a Nightmare

Falling off the ATL isn't just about paying the upfront fine. The moment your name is stripped from the active list, you enter a financial twilight zone where everyday transactions become excruciatingly expensive.

The Non-ATL Penalty: As a non-compliant taxpayer, you will face double (and sometimes triple) withholding tax rates on essential transactions, including:

• Cash withdrawals from banks.

• Buying, selling, or registering vehicles.

• Property transfers and real estate transactions.

• International credit card payments and banking transactions.

The Verdict: File on Time or Pay the Ultimate Price

The message from the tax authorities is loud, clear, and utterly unforgiving: The era of relaxed compliance is officially dead. With an unbelievable 2,500% spike for individuals and a punishing Rs. 100,000 penalty for companies, letting the deadline slip by is no longer an option. If you want to keep your hard-earned cash and maintain your Active Taxpayer status, you need to get your documentation ready and file before the clock runs out.

Don't wait until the final hour—the cost of delay has never been this dangerous!

KISSAN ITTEHAD REJECTS BUDGET, WARNS OF PROTESTS

Published June 14, 2026 Updated a day ago

By Recorder Report

LAHORE: Kissan Ittehad Pakistan on Saturday rejected the proposed federal budget for FY2026-27, terming it anti-farmer and accusing the government of ignoring the country's agriculture sector despite its critical role in the national economy.

In his reaction to the proposed budget, Kissan Ittehad Chairman Khalid Hussain Bath said the farming community had pinned high hopes on the federal budget and expected substantial relief measures to reduce production costs. However, he said the government failed to provide any meaningful support to farmers.

Bath remarked that while the world acknowledges the diplomatic efforts of Field Marshal Syed Asim Munir and Prime Minister Shehbaz Sharif in easing tensions during the Iran-US conflict, the government had disappointed farmers by excluding their concerns from the budget.

He criticised the finance minister for not even mentioning agriculture and farmers during the budget speech, calling it a reflection of the government's lack of seriousness toward a sector that remains the backbone of Pakistan's economy.

"Neglecting agriculture and farmers is tantamount to neglecting the country's economic development," Bath said, adding that farmers had expected relief on five key agricultural inputs, including fertilisers, pesticides, seeds, diesel and electricity.

According to him, no relief was announced on any of these essential inputs, leaving farmers burdened with rising production costs and shrinking profitability.

The Kissan Ittehad chairman warned that if subsidies on fertilisers and diesel are not announced by June 30, the organisation will launch a protest movement across the country.

He maintained that farmers would play a decisive role in laying the foundation for economic growth during fiscal year 2026-27, but this would only be possible if they receive adequate policy support and financial relief.

Bath further vowed to expose what he termed as corrupt mafias operating within the agricultural system and asserted that farmers would not remain silent if their rights continued to be ignored.

"If farmers are not given their due rights, they will secure them through democratic struggle," he said, adding that the entire farming community would take to the streets if the government failed to announce relief measures before the end of June.

The Kissan Ittehad urged the federal government to immediately review its budgetary priorities and introduce targeted support measures for the agriculture sector to safeguard food security, rural livelihoods and economic growth.

BUDGET DESK ESTABLISHED TO ASSIST MNAS

Published June 14, 2026 Updated a day ago

By Naveed Butt

ISLAMABAD: Speaker of the National Assembly Sardar Ayaz Sadiq on Saturday announced the establishment of a dedicated Budget Desk to assist MNAs during deliberations on the federal budget.

Addressing the House, the Speaker informed members that the Budget Desk had been set up at the National Assembly Library to provide comprehensive support throughout the budget session. He said the facility would offer budget briefings, research-based insights, and analytical assistance to lawmakers, enabling them to examine budgetary proposals in greater depth and participate more effectively in parliamentary discussions.

The initiative is aimed at strengthening the legislative review process and enhancing members' capacity to scrutinize budgetary allocations and policy measures.

FINANCE MINISTER ADDRESSES POST-BUDGET PRESS CONFERENCE: 'WE'RE NOW MOVING FORWARD TOWARD GROWTH'

Published June 14, 2026 Updated about 14 hours ago

By Tahir AminSohail Sarfraz

ISLAMABAD: Finance Minister Muhammad Aurangzeb on Saturday said that the 2026–27 Budget reflects the government's commitment to shifting the economy from stability towards export-led growth, while embedding measures to create an enabling environment that are backed by tax incentives for various sectors.

"In this budget, we have made significant progress in the direction of travel — towards economic growth from economic stabilization, as steps have been taken envisaging exports promotion, including the abolition of advance tax and the proposed abolition of super tax for all exporters", said Aurangzeb, flanked by Information Minister Attaullah Tarar, Minister of State for Finance Bilal Azhar Kayani, Finance Secretary Imdadullah Bosal, Federal Board of Revenue (FBR) Chairman Rashid Mahmood Langrial and Head of the Tax Policy Office Najeeb Memon, while addressing a post-budget press conference here on Saturday.

The minister called the Budget 2026-27 people-friendly, catering for all sectors, while saying the government has reduced the tax burden on the salaried class, provided additional subsidies, and laid the foundation for export-led growth. Aurangzeb said the government had made "extraordinary progress" in the budget and had fulfilled its promise to provide relief after difficult economic conditions.

He said a subsidy of Rs70 to Rs71 billion has been earmarked to ensure a conducive environment for exporters, who will also have access to easy financing at 4.5 per cent. He added that duties on the import of raw materials have been reduced to bring down production costs. He further noted the matter also pertained to "financing rather than just taxation". He added that an additional subsidy of Rs70 billion has been proposed in the budget to take the Export Refinance

Scheme (EFS) “to a different level”. “Some of those have been reflected in the defence budget,” he said, adding that the arrangement was expected to remain in place for the next three years.

On the 7 percent increase in salaries and pensions for all government employees, Aurangzeb said the benchmark was set on the basis of the inflation index and described the raise as “satisfactory,” given the accompanying tax relief. The Finance Secretary said the increase was granted by merging the ad hoc relief provided in 2022 and 2025. However, autonomous bodies will make their own decisions in this regard.

On taxation, the finance czar emphasised the aspects of “both deepening and broadening” the revenue collection. Affirming that digital monitoring and other measures were already leading to additional revenues, he noted that a “new tax model” presented in the parliament yesterday was in design.

“We want to take this towards automation and AI, and reduce human intervention,” he said, mentioning that the retailers’ scheme has been proposed to widen the tax base.

Noting that questions had been raised about economic growth, rather than stabilisation, Aurangzeb asserted: “We have fully utilised the fiscal space available to us. There is more to do […] The feedback we have received so far is that we have set out on the path to economic progress.”

Responding to a question, the finance minister clarified that the petroleum levy was not being increased. However, he acknowledged that the government “keeps interchanging the amount between petrol and diesel”, but there was no proposal to increase it.

Terming population growth an “existential issue”, he affirmed that the government was working on a comprehensive plan. “When the next NFC (National Finance Commission) award is allocated, this particular allocation driver has to be reviewed and has to change,” he said. Speaking about tariffs, the finance minister noted that the government was in the second year of the five-year plan “in terms of bringing the cost down in terms of intermediate goods and the raw material”

MINIMUM TAX FOR CERTAIN TRADERS DOUBLED

Pakistan's Finance Bill 2026 proposes significant tax hikes, including a doubled minimum tax for distributors of packaged goods, mobile phones, and electronics, from 0.25% to 0.5%, impacting various sectors.

Published June 14, 2026 Updated about 21 hours ago

By Sohail Sarfraz

ISLAMABAD: Finance Bill 2026 has increased the rate of minimum tax from 0.25 percent to 0.5 percent in case of distributors, dealers, and sub-dealers, wholesalers of packaged goods, fertilisers, locally manufactured mobile phones, sugar and electronics.

Tax experts explained that in the Second Schedule of the Income Tax Ordinance, Part II, many amendments have been proposed through Finance Bill 2026. They included:

(i); Tax under section 153 (1) (b) on terminal operators was 15 percent; now it has been proposed to be at the rate of 12 percent of the gross amount of payment.

(ii); The rate of minimum tax under sub section (1) of Section 113, in case of distributors, dealers, sub-dealers, wholesalers of packaged goods, fertilisers, locally manufactured mobile phones, sugar and electronics has been proposed to be increased from 0.25 percent to 0.5 percent.

(iii); Currently, tax on any payments received by manufacturers of iron or steel products relating to sale of goods manufactured by them is adjustable. The Bill has proposed to make such deduction as minimum tax.

(iv); The exemption from withholding tax under Section 153 on companies operating trading houses has been proposed to be revoked.

(v); The rates of taxes on sale or transfer or purchase of immovable for late filers have been proposed to be omitted.

REFINERIES' UPGRADATION: SALES TAX WAIVED ON CAPITAL GOODS IMPORTS

Published June 14, 2026 Updated a day ago

By Sohail Sarfraz

ISLAMABAD: The government has granted an exemption of sales tax on import of capital goods for upgradation and overhaul of existing refineries as part of a package of sales tax relief measures announced in the Finance Bill 2026-27 aimed at supporting key sectors of the economy and promoting investment.

The Finance Bill 2026-27 contains a series of sales tax relief measures covering the refinery, electric vehicle, aviation, shipping, publishing and healthcare sectors.

The Finance Bill proposes exemption from sales tax on magazines and abolition of sales tax on tampons.

The Finance Bill has also extended till June 30, 2027 the exemption available on import of Completely Knocked Down (CKD) kits for electric vehicles. The sunset clause applicable to electric vehicles has also been extended up to June 30, 2027.

The Finance Bill further enhances the scope of sales tax exemption on aircraft parts imported or leased by Pakistan International Airlines Corporation Limited (PIACL).

The government has also granted exemption of sales tax to promote strategic investment in the shipping sector and provides exemptions on specified imports required for the Shanghai Cooperation Organisation (SCO) Summit and ongoing counter-terrorism operations.

The Finance Bill, however, proposes withdrawal of the existing sales tax exemption on family planning devices.

On the revenue side, the Finance Bill proposes expansion of the Third Schedule of the Sales Tax Act to ensure payment of sales tax at consumer prices by manufacturers at the manufacturing stage.

The Finance Bill also introduced withholding of sales tax by toll manufacturers from unregistered buyers and expands the scope of withholding sales tax by Associations of Persons (AOPs) and individuals on purchases from unregistered persons.

The Finance Bill further proposed recovery of three percent value-added tax from manufacturers where imported raw material is sold in the same state without being used in manufacturing.

The Finance Bill seeks rationalisation of penalties on certain sales tax offences and proposes inclusion of three additional offences in Section 33 of the Sales Tax Act for imposition of penalties.

The Finance Bill contains a wide range of measures aimed at streamlining sales tax administration through increased digitalisation and automation.

The Finance Bill introduces definitions relating to advance receipt invoice, algorithmic settlement mechanism, electronic invoicing system, national faceless centre and production monitoring system.

The government has also proposed streamlining the definition of Tier-1 retailers by including retailers having annual turnover of Rs200 million or more within the category.

The Finance Bill clarifies the timing of delivery of goods to recipients and authorises the Federal Board of Revenue (FBR) to outsource the valuation of goods.

The Finance Bill further proposes a new mechanism for taxation of the steel sector based on monthly electricity consumption through amendments in Section 6 of the Sales Tax Act.

The Finance Bill empowers the FBR to increase or decrease the limit of input tax adjustment under Section 8B and introduces electronic issuance of debit and credit notes for adjustment purposes. The government has also introduced a new Section 11H relating to faceless audit and assessment, while new provisions relating to faceless jurisdiction, faceless appeals and establishment of a National Faceless Centre have also been proposed.

The Finance Bill also seeks to discourage fake and flying invoices through amendments in Section 21 and makes issuance of invoices mandatory for exempt supplies through changes in Section 23.

DOCUMENTATION PUSH: ATL SURCHARGE GOES UP

Published June 14, 2026 Updated a day ago

By Sohail Sarfraz

ISLAMABAD: The Federal Board of Revenue (FBR) has significantly increased the Active Taxpayers List (ATL) surcharge in the Federal Budget 2026-27, in a move aimed at accelerating documentation of the economy and broadening the tax base.

Under the revised rates announced through Finance Bill 2026, the penalty for non-filers to be added to the ATL has been raised across all categories. For individuals, the surcharge jumps from Rs. 1,000 to Rs. 25,000. For Associations of Persons, the range has been increased from Rs. 10,000 to Rs50,000, and for companies it rises from Rs. 20,000 to Rs. 100,000.

The ATL surcharge is applied to taxpayers who are not on the FBR's Active Taxpayers List when availing services such as banking, vehicle registration, and property transactions. The steep increase signals the government's intent to penalize non-compliance more heavily while offering relief to those who file returns.

This is a good and wise move towards documentation of the economy," said Waheed Shahzad Butt, a tax lawyer. For too long, the cost of staying outside the tax system was trivial compared to the benefits of evasion. By raising the ATL surcharge to Rs. 25,000 for individuals and Rs. 100,000 for companies, the government has finally made non-compliance expensive. It creates a direct financial incentive for people to file returns and join the documented economy.

Butt noted that Pakistan's tax-to-GDP ratio remains among the lowest in the region and broadening the base is critical for fiscal sustainability.

Penalizing non-filers while giving relief to compliant salaried individuals is the right balance. It rewards those who are already in the system and pressures the undocumented sector to come forward, Waheed added.

Effectiveness of the ATL surcharge hike will depend on FBR's enforcement and ease of filing. Critics warned that without simplification of the return process, higher penalties could push more activity into the informal sector. Supporters argue that the sharp increase finally aligns the cost of non-compliance with the policy goal of documentation.

The revised ATL surcharge will take effect from July 1, 2026, along with other measures in the Finance Bill 2026.

OUTSOURCING SEIZED GOODS' AUCTION: SENATE PANEL APPROVES CUSTOMS PROPOSAL

Published June 14, 2026 Updated a day ago

By Sohail SarfrazTahir Amin

ISLAMABAD: The Senate Standing Committee on Finance Saturday approved a customs proposal under the Finance Bill 2026 to outsource the auction process of seized goods to third parties.

The Senate Standing Committee on Finance and Revenue, under the chairmanship of Senator Saleem Mandviwalla, met at Parliament House to consider and finalise its recommendations on the Finance Bill 2026-27, containing the Annual Budget Statement laid before the House on 12 June under Article 73 of the Constitution.

The preliminary session of the Committee commenced with a clause-by-clause examination of the Customs Act, 1969, during which recommendations and observations of Committee members were sought on the proposed amendments. It continued deliberations throughout the day on various provisions of the Finance Bill 2026-27, including customs and sales tax measures.

The meeting was attended by Federal Minister for Finance and Revenue Senator Muhammad Aurangzeb, Minister of State for Finance Bilal Azhar Kayani, Senator Sherry Rehman, Senator Abdul Qadir, Senator Syed Faisal Ali Subzwari, Senator Shahzaib Durrani, while Senator Anusha Rehman Ahmad Khan participated virtually.

During discussions on the budgetary proposals, Chairman Committee Senator Saleem Mandviwalla observed that new experiments were conducted every year through the federal budget. He noted that many changes introduced over the past ten years were subsequently withdrawn. He questioned the rationale of pursuing measures that did not produce accurate results.

Officials of the Federal Board of Revenue informed the Committee that the Prime Minister had established a Tax Policy Office to keep tax policy formulation separate from tax administration.

Senator Abdul Qadir expressed concern that the super tax was discouraging investment in Pakistan.

Senator Sherry Rehman observed that provincial tax collection performance was improving and, in some areas, showing better results than the FBR. She further stated that it remained uncertain whether the FBR would be able to achieve its annual tax collection targets.

The Committee also reviewed a proposal seeking authority for the FBR to impose fines for violations of customs laws.

Senator Anusha Rehman opposed the proposal, stating that such authority belonged to the government and should not be delegated to the FBR board. She informed the Committee that the authority had instead been placed with the Federal Finance Minister.

The Committee considered an FBR proposal to outsource the auction process of seized goods to third parties. Officials maintained that the private sector should conduct auction activities instead of customs officers. Following deliberations, the Committee approved the proposal.

A significant discussion took place on customs clearance procedures. It was proposed that a fixed customs clearance period for imports should be determined. The proposal received support from Chairman Committee Senator Saleem Mandviwalla and other Committee members.

NA PANEL CONCERNED AT FIXED TAX SCHEME FOR TRADERS

Lawmakers question the budget's ambitious revenue targets and new taxes, noting limited focus on stimulating economic growth, investment, and employment.

Published June 14, 2026 Updated a day ago

By Sohail SarfrazTahir Amin

ISLAMABAD: National Assembly Standing Committee on Finance Saturday expressed serious concern over the proposed fixed tax scheme for traders, shopkeepers and retailers under the Finance Bill 2026, which it said would create distortions in the tax system.

A meeting of the Standing Committee on Finance and Revenue was held Saturday at the Parliament House under the Chairmanship of Syed Naveed Qamar, MNA. A team of financial experts presented the “Post-Budget Analysis of the Federal Budget FY 2026–27” before the Committee. The experts briefed the Committee on macroeconomic assumptions, revenue measures, expenditure priorities, development allocations, tax reforms, and the overall fiscal outlook.

The Committee reviewed tax policy measures announced in the budget, including relief for salaried taxpayers, reductions in selected customs duties, incentives for exporters, and reforms relating to the property sector. Particular concern was expressed over the newly proposed retailer tax scheme.

The Committee observed that the scheme could create distortions within the tax system, discourage compliance under the normal tax regime, and potentially erode the existing tax base.

Syed Naveed Qamar observed that the Federal Budget FY2026-27 remains heavily focused on revenue generation and fiscal consolidation, while offering limited measures to stimulate economic growth, investment, and employment.

He expressed concern over the continued practice of setting ambitious revenue targets despite repeated shortfalls in tax collection. He questioned the rationale behind imposing additional taxation on citizens while simultaneously maintaining large primary surpluses and compressing development expenditure under International Monetary Fund (IMF) Programme requirements.

During the briefing, the Committee was informed that the budget has been formulated within the framework of Pakistan's ongoing IMF Programme, with fiscal consolidation and achievement of primary surplus targets serving as the principal policy objectives. The government has projected GDP growth of 4 percent and inflation of 8.2 percent for FY2026–27, while total federal expenditure is estimated at approximately Rs18.7 trillion.

The Committee discussed the requirement for substantial provincial fiscal surpluses under the IMF Programme and questioned the policy rationale of collecting additional revenues from taxpayers while restricting public expenditure and development spending.

TRADE BODIES, BUSINESS LEADERS LAUD 'BALANCED BUDGET'

- Congratulate PM Shehbaz, Finance Minister Aurangzeb for presenting 'excellent and public-oriented budget'

Published June 14, 2026 Updated about 11 hours ago
By APP

ISLAMABAD: The trade bodies and business leaders nationwide have hailed the Federal Budget 2026-27 as a business-friendly, growth-driven and balanced fiscal roadmap, praising the government for introducing measures aimed at boosting economic activity, encouraging investment and supporting sustainable development.

Federation of Pakistan Chambers of Commerce and Industry (FPCCI) and other business organisations congratulated Prime Minister Shehbaz Sharif, Deputy Prime Minister Ishaq Dar, Finance Minister Senator Muhammad Aurangzeb and the economic team for presenting an excellent and public-oriented budget.

The FPCCI said the federal budget 2026-27 is a positive step for the stability of the country's economy, promotion of investment and increase in business activities. The business community will continue to cooperate with the government and play a role in promoting economic growth and investment.

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It called the federal budget 2026-27 a positive step for the stability of the country's economy, promotion of investment and increase in business activities.

The Pakistan Business Council, while congratulating the Finance team said that the government was taking key stakeholders on board in framing important economic policies

This is very refreshing and augers well for the future, it said, adding that this will greatly improve the business environment and improve the lives of many salaried individuals. It expressed the commitment to continue work closely with the government for the betterment of our country and the citizens in the country.

Meanwhile, President Rawalpindi Chamber of Commerce and Industry (RCCI) Usman Shaukat appreciating the federal budget said that the reduction in taxes for the salaried class and the decrease in super tax are welcome steps.

He also appreciated the tax relief provided to the IT sector, noting its vital role in promoting exports and employment. He welcomed the allocation of Rs. 88 billion under the Export Finance Scheme, describing it as a positive initiative.

RCCI Group Leader Sohail Altaf welcomed the Fixed Tax Scheme but pointed out that the mechanism for its implementation has not yet been clarified.

The Pakistan Banks Association (PBA) also welcomed the Federal Budget as the first in years to move beyond crisis management and make deliberate choices for growth, without abandoning the discipline that earned Pakistan its recovery.

Commenting on the budget, Zafar Masud, Chairman PBA said: "this is a budget the industry can welcome and build on. The conditions for priority-sector lending are the best in over a decade. We intend to use them".

The Overseas Investors Chamber of Commerce and Industry (OICCI) also welcomes the Federal Budget 2025–26 and termed the budget crafted under significant fiscal pressure, IMF commitments, external imbalances and the residual weight of years of consolidation.

The OICCI welcomes the partial rationalisation of the super tax, abolition for income slabs between Rs150 million and Rs500 million, and a reduction from 10 percent to 8 percent for income above Rs500 million. It said that measures introduced in budget will eases pressure on mid-sized formal enterprises and is consistent with the chamber's long-standing advocacy.

Similarly, the rationalisation of advance tax rates in the real estate sector — sections 236C and 236K reduced and converted to flat rates of 2.75 percent and 1.5 percent respectively — is a constructive step to revive the economic activity

FINANCE BILL 2026 EXPANDS CGT COLLECTION SCOPE FOR NCCPL

Budget 2026-27 Taxation

June 14, 2026Faisal Shahnawaz

Proposed amendments broaden NCCPL's tax collection framework and standardise capital gains tax computation across financial sectors

ISLAMABAD: The federal government has proposed expanding the role of the National Clearing Company of Pakistan Limited in the collection and computation of Capital Gains Tax (CGT) through the Finance Bill 2026, a move aimed at creating a more uniform and efficient tax administration framework for Pakistan's financial sector.

Under the existing provisions of the Income Tax Ordinance 2001, capital gains tax on the disposal of listed securities, along with applicable taxes including super tax, is computed, determined, collected and deposited by the National Clearing Company of Pakistan Limited in accordance with the Eighth Schedule of the Ordinance.

However, the current framework excludes mutual funds, banking companies, non-banking finance companies (NBFCs), insurance companies, Modarabas and companies dealing exclusively in debt securities from the NCCPL-administered collection mechanism.

NBFCs and Modarabas brought into tax collection framework

The Finance Bill 2026 proposes to expand the scope of NCCPL's tax collection responsibilities by including non-banking finance companies, Modarabas and companies involved in debt securities within the CGT collection regime.

The proposed amendment is expected to streamline the administration of capital gains taxation and reduce disparities in tax treatment across different segments of the financial market.

Tax experts believe the inclusion of these entities will strengthen compliance mechanisms and improve the efficiency of tax collection related to securities transactions.

NCCPL to compute gains for banks, insurers and mutual funds

The bill also proposes a revised mechanism for banking companies, insurance companies and mutual funds.

Under the proposed changes, NCCPL will be responsible for computing and determining capital gains under Section 37A of the Income Tax Ordinance. However, these entities will continue to bear responsibility for depositing the tax on their capital gains in accordance with the existing provisions of the law.

The amendment seeks to centralise the computation process while preserving the responsibility of major institutional investors for meeting their tax obligations.

Towards a uniform capital gains tax regime

Market analysts view the proposed changes as an effort to establish a more consistent and transparent framework for the taxation of capital gains arising from securities transactions.

By expanding NCCPL's role and standardising the calculation of capital gains across a broader range of financial institutions, the government aims to enhance regulatory oversight, improve tax compliance and simplify administrative procedures.

If approved by Parliament, the amendments will represent another significant step in the government's wider agenda of modernising Pakistan's tax administration and strengthening oversight of the country's capital markets.

THE ALGORITHMIC DRAGNET: FBR LAUNCHES TOTAL DIGITAL SCRUTINY OF BANK ACCOUNTS

Budget 2026-27 Taxation

June 14, 2026Faisal Shahnawaz

No More Hiding: Finance Bill 2026 introduces Section 165AB, overriding decades of banking secrecy laws to feed high-value financial data directly into an AI-driven "Central Data Hub."

ISLAMABAD — The walls are closing in on undisclosed wealth. In arguably the most aggressive legislative maneuver to date, the Federal Board of Revenue (FBR) has introduced Section 165AB into the Income Tax Ordinance under the Finance Bill, 2026.

This new law effectively strips away the traditional shield of banking confidentiality, empowering an automated, faceless digital system to hunt down hidden assets and cross-match the private financial records of high-value account holders with their tax profiles.

If you are moving massive amounts of cash outside the tax net, the system will now flag you automatically—without a human tax officer ever lifting a finger.

The Ultimate Secrecy Override

Section 165AB doesn't just request data; it legally bulldozes existing protections. The law explicitly states that it operates "Notwithstanding anything contained in" the Banking Companies Ordinance, 1962, the State Bank of Pakistan Act, 1956, or the Protection of Economic Reforms Act, 1992.

Decades of statutory banking privacy have been bypassed in a single stroke. Every commercial bank and Electronic Money Institution (EMI) is now legally forced to electronically upload raw financial data directly to the FBR's newly minted Central Data Hub.

Are You in the 100-Million-Rupee Crosshairs?

The digital dragnet isn't looking for pocket change. It is calibrated to capture high-velocity capital. The system automatically triggers when an account holder hits the following threshold:

The Trigger Metric

Anyone with total deposits or withdrawals exceeding 100 million Rupees during a six-month reporting period across any or all of their bank accounts.

Once an account crosses this threshold, the bank must hand over a comprehensive financial forensic file, including:

• Specific particulars of all deposits and withdrawals.

• Exact opening and closing balances.

• Total credits accumulated during the period.

• Peak Credits: The single highest credit balance recorded on any given date during those six months.

The Faceless Assassin: How the Algorithmic Audit Works

To combat corruption and harassment, the FBR is removing human bias from the initial hunt. The entire process is automated, weaponizing data analytics against tax evaders.

1. The Blind Cross-Match: Financial data is fed into the virtual repository managed by PRAL. During this phase, the data is completely invisible to human Income Tax Authorities to prevent premature interference or tampering.

2. The CRM Alarm: If the algorithm uncovers a "gross mismatch" between your banking activity and your declared tax returns, the system automatically feeds the data into the Compliance Risk Management (CRM) computer program.

3. The Target Evaluation: The CRM scans specifically for tax evasion tactics: understatement of sales, overstatement of expenses, and hidden income or assets.

4. The Faceless Trial: Once flagged, the case is handed over to the National Faceless Centre for further legal proceedings, eliminating face-to-face interactions between taxpayers and auditors.

The Countdown Timetable

The law divides the fiscal year into two strict, unavoidable reporting windows. There is no lag time for compliance:

Reporting Period	Date Range	Data Submission Deadline ("Specified Date")
First Half	July 1st to December 31st	January 31st
Second Half	January 1st to June 30th	July 31st

The Ironclad Promise of Secrecy (With a Catch)

The bill explicitly notes under subsection (6) that the Board must ensure this massive inflow of banking data remains strictly confidential and cannot be misused to disregard the baseline statutes of commercial banking.

However, that protection ends where Section 165AB begins. If your banking transactions tell a wildly different story than your tax returns, the algorithm will hand your file over to the state—and the National Faceless Centre will be waiting.

FINANCE BILL 2026 EXPLAINS MARKET VALUE OF INHERITED PROPERTY

Budget 2026-27 Taxation

June 14, 2026Faisal Shahnawaz

Finance Bill 2026 clarifies valuation rules for inherited property, aligning cost basis with fair market value at the time of inheritance.

ISLAMABAD: The Finance Bill, 2026 has introduced a clarification regarding the determination of market value of inherited immovable property under the Income Tax Ordinance, 2001.

A new Section 8A has been inserted into the Income Tax Ordinance, 2001, specifying the basis for calculating the cost of inherited property in the hands of the beneficiary.

According to the proposed provision:

"Where an immovable property is acquired by an individual through inheritance, the cost of such property in the hands of that individual shall be the fair market value of the property as provided under sub-section (5) of section 68 of this Ordinance on the day of the death of the original owner."

Under the new rule, the cost of inherited immovable property will be determined based on its fair market value on the date of the original owner's death, rather than the historical purchase price or any previous valuation.

Tax experts say the amendment is aimed at providing clarity in capital gains taxation where inherited properties are later sold by legal heirs. By establishing a clear cost basis at the time of inheritance, the provision is expected to reduce disputes between taxpayers and tax authorities regarding valuation differences.

The clarification is also likely to bring uniformity in the treatment of inherited assets, particularly in cases involving long-held properties where original purchase records may not be readily available.

The Finance Bill, 2026 states that the fair market value will be determined in accordance with Section 68(5) of the Income Tax Ordinance, 2001, which governs valuation principles for assets.

If enacted, the amendment will apply to all inherited immovable properties acquired after the commencement of the Finance Bill, 2026, ensuring a standardised approach to valuation for tax purposes across the country.

FINANCE BILL 2026 PROPOSES TAX CREDIT FOR INTEGRATION WITH FBR SYSTEMS

Budget 2026-27 Taxation

June 14, 2026Faisal Shahnawaz

Finance Bill 2026 introduces 10% tax credit to encourage businesses to integrate with FBR's digital monitoring systems.

ISLAMABAD: The Finance Bill, 2026 has proposed a new tax credit scheme under the Income Tax Ordinance, 2001 to encourage taxpayers to integrate their businesses with the Federal Board of Revenue's (FBR) computerized systems for real-time reporting and monitoring.

The proposed amendment introduces Section 64D into the Income Tax Ordinance, 2001, extending tax credit benefits to individuals and entities required under the Income Tax Ordinance, the Sales Tax Act, 1990, or the Federal Excise Act, 2005 to integrate with the FBR's digital infrastructure.

Under the new provision, eligible taxpayers will be entitled to a tax credit for expenditure incurred exclusively on the purchase, acquisition, installation, or implementation of equipment, hardware, software, or other electronic components used solely for integration with the FBR system.

The Finance Bill states that:

"Any person required, under this Ordinance, the Sales Tax Act, 1990 or the Federal Excise Act, 2005, to integrate with the computerized system of the Board for real-time production monitoring, or for the recording or reporting of sales or receipts, shall be entitled to a tax credit…"

The Federal Board of Revenue will have the authority to prescribe limitations, conditions, and restrictions for availing this tax credit.

The proposed Section 64D further provides that the tax credit amount for the tax year in which the electronic system is installed, integrated, and configured with the FBR's computerized platform will be 10 per cent of the actual investment made in such digital infrastructure.

However, the bill clarifies that the tax credit will not be applicable to ongoing operation and maintenance expenses, restricting the benefit strictly to capital investment in integration-related systems.

Additionally, the credit can only be adjusted against normal tax payable under Division I or Division II of Part I of the First Schedule, ensuring it is applied against standard tax liabilities rather than reduced or final tax regimes.

Tax analysts suggest the measure is designed to accelerate digital compliance across Pakistan's tax system by incentivising businesses to adopt FBR's real-time reporting infrastructure. It is also expected to improve transparency in sales reporting and reduce under-declaration of income.

If approved, the new tax credit will take effect following the enactment of the Finance Bill, 2026, marking another step towards the digitisation of Pakistan's tax administration framework.

GOVERNMENT TO INTRODUCE SPECIAL MINIMUM TAX RATES UNDER FINANCE BILL 2026

Budget 2026-27 Taxation

June 14, 2026Faisal Shahnawaz

Finance Bill 2026 proposes to empower the federal government to reduce certain minimum withholding tax rates to support economic viability.

ISLAMABAD: The Finance Bill, 2026 has proposed granting the federal government powers to introduce special minimum tax rates by rationalising specified withholding taxes under the Income Tax Ordinance, 2001.

Through the insertion of a new Section 53A into the Income Tax Ordinance, 2001, the government seeks to provide flexibility in adjusting withholding tax rates that operate in the nature of minimum tax, with the aim of improving economic viability for certain taxpayers and sectors.

According to the proposed Section 53A, the federal government may reduce the rate of withholding taxes classified as minimum tax under the First Schedule of the Income Tax Ordinance, 2001.

The proposed provision states:

"(1) The Federal Government may reduce the rate of any of the withholding taxes in the nature of minimum tax as given in First Schedule of this Ordinance, other than minimum tax chargeable under section 113 of this Ordinance, up to 1% on the basis of economic viability in cases of persons or class of persons, subject to such restrictions and limitations as the Federal Government may specify."

The amendment clarifies that the powers granted under the new section will not extend to the minimum tax imposed under Section 113 of the Income Tax Ordinance, which governs minimum tax on the income of certain taxpayers.

Tax experts believe the proposed measure is aimed at addressing concerns raised by businesses regarding the burden of withholding taxes that are treated as final or minimum tax liabilities, particularly in sectors operating under low profit margins.

The Finance Bill, 2026 also introduces a parliamentary oversight mechanism for the exercise of these powers.

Under sub-section (2) of the proposed Section 53A:

"The Federal Government shall place before the National Assembly all amendments made in rates of withholding taxes in the First Schedule, in a financial year under this section."

This requirement is intended to ensure transparency and accountability by keeping the National Assembly informed of any changes made to withholding tax rates during a financial year.

The proposed amendment is expected to provide the government with greater flexibility to offer targeted tax relief to specific industries, businesses or classes of taxpayers facing economic challenges, while maintaining legislative oversight over such adjustments.

If approved by Parliament, the new provision will become part of the Income Tax Ordinance, 2001 upon the enactment of the Finance Bill, 2026, enabling the federal government to reduce eligible minimum withholding tax rates to as low as 1 per cent based on economic considerations.

Business & Finance / Taxes

TRADERS SEEK REMOVAL OF FIXED TAX COMPONENT FROM NEWLY-PROPOSED SCHEME

Published June 14, 2026 Updated a day ago

By Recorder Report

LAHORE: The Chairman of the Supreme Council All Pakistan Anjuman-e-Tajiran, Naeem Mir, has urged the government to remove the fixed tax component from the newly proposed fixed tax scheme, arguing that its current structure unfairly burdens the country's most economically vulnerable traders while falling short of its own documentation goals.

Speaking to BUSINESS RECORDER, Mir noted that the scheme, as currently designed, would effectively apply only to micro-scale traders, since the government has already excluded distributors, wholesalers, brands, importers, exporters, processors, jewelers, and other mid-tier business categories from its scope. This exclusion, he said, leaves the scheme's weight falling almost entirely on those with the most limited business turnover.

While welcoming certain aspects of the proposal, Mir praised the introduction of a simplified tax return form and the government's broader push to bring traders into a documented economy, stating that traders across the country have no objection to being registered with the Federal Board of Revenue. He described these measures as a positive step in the right direction.

However, he firmly opposed the imposition of an annual fixed tax of twenty-five thousand rupees on micro-scale traders, calling it an ill-conceived decision that the Finance Minister should revisit without delay.

Mir proposed an alternative approach in which the first phase focuses exclusively on registering traders and connecting all commercial units to the FBR system through a simplified return form. The data collected should then be processed through the FBR's digital infrastructure to identify those concealing their true business size to avoid taxation. Verified tax evaders should be issued legal notices and brought into the formal tax net accordingly.

He warned that deploying FBR officials into markets and bazaars to monitor QR codes, affix plaques, and directly collect fixed taxes from small shopkeepers contradicts the government's own stated commitment to a faceless and fully digital tax system, a vision repeatedly endorsed by Prime Minister Shehbaz Sharif.

Mir concluded by expressing confidence that the Finance Minister would act on traders' concerns and revise the scheme to focus solely on registration and economic documentation, a move he said would make the scheme both more acceptable to the business community and more effective in achieving its objectives.

FBR TO TARGET UNDOCUMENTED PROPERTY WEALTH AFTER SLASHING TAX RATES IN FINANCE BILL 2026

Budget 2026-27 Taxation

June 15, 2026Faisal Shahnawaz

Reduced withholding tax rates on property transactions aim to encourage documentation and expose undeclared wealth in real estate

ISLAMABAD: The Federal Board of Revenue is set to intensify scrutiny of real estate transactions after proposing substantial reductions in withholding tax rates on the sale and purchase of immovable property through the Finance Bill 2026.

Tax officials believe lower transaction taxes will encourage greater documentation of property deals, making it easier for authorities to identify undeclared wealth and unreported investments in Pakistan's real estate sector.

The move forms part of the government's broader strategy to broaden the tax base, improve compliance and reduce the use of black money in property transactions.

Significant reduction in tax on property sales

The Finance Bill 2026 proposes a major reduction in advance tax collected on the sale or transfer of immovable property under Section 236C of the Income Tax Ordinance 2001.

At present, sellers are subject to withholding tax rates ranging from 4.5 per cent to 5.5 per cent depending on the value of the transaction. The bill seeks to replace the tiered structure with a single tax rate of 2.75 per cent regardless of the property's value.

Proposed changes under Section 236C

Gross Amount of Consideration	Current Tax Rate	Proposed Tax Rate
Up to Rs50 million	4.5%	2.75%
Above Rs50 million up to Rs100 million	5.0%	2.75%
Above Rs100 million	5.5%	2.75%

The proposed measure will significantly reduce transaction costs, particularly for high-value property sales.

Lower taxes proposed for property buyers

The government has also proposed reducing advance tax on the purchase of immovable property under Section 236K of the Income Tax Ordinance.

Currently, buyers pay advance tax ranging from 1.5 per cent to 2.5 per cent based on the fair market value of the property. Under the proposed amendments, a uniform rate of 1.25 per cent will apply across all property categories.

Proposed changes under Section 236K

Fair Market Value	Current Tax Rate	Proposed Tax Rate
Up to Rs50 million	1.5%	1.25%
Above Rs50 million up to Rs100 million	2.0%	1.25%
Above Rs100 million	2.5%	1.25%

The reduction is expected to lower the overall cost of acquiring property and encourage greater participation in the formal real estate market.

FBR aims to improve documentation

Tax experts believe the reductions are intended to remove a major barrier to documented transactions while allowing authorities to collect more accurate information on property investments.

By lowering upfront tax costs, the government hopes more buyers and sellers will conduct transactions through official channels, providing the FBR with a clearer audit trail and better visibility of financial flows in the sector.

Officials are also expected to utilise enhanced digital monitoring and data analytics to identify discrepancies between declared income and property investments.

Real estate sector may benefit

Market participants have welcomed the proposed reductions, arguing that high transaction taxes have long discouraged documented property dealings and contributed to underreporting of values.

The lower tax rates are expected to stimulate activity in the real estate sector, improve liquidity and support broader economic activity linked to construction, housing and property development.

If approved by Parliament, the new rates will take effect from the 2026-27 tax year and form part of the government's wider efforts to balance tax enforcement with measures aimed at promoting economic growth and documentation of the economy.

Markets / Cotton & Textile

SPOT RATE DROPS RS500 AMID SUBDUED BUSINESS

Published June 14, 2026 Updated a day ago

By Recorder Report

LAHORE: The Spot Rate Committee of the Karachi Cotton Association (KCA) on Saturday decreased the spot rate by Rs500 per maund, closing it at Rs21,000 per maund, as bearish market sentiment gripped the cotton sector amid growing frustration among ginners over the federal budget's failure to address their longstanding tax concerns.

Cotton Analyst Naseem Usman told BUSINESS RECORDER that the market remained bearish primarily because the ginning industry had been anticipating significant tax relief in the current budget, particularly regarding the heavy taxes imposed on ginning factories.

The Finance Minister and ministers of relevant departments had previously given assurances to delegations from the Pakistan Cotton Ginners Association (PCGA) that taxes on cottonseed, oilcake, and other animal feed by-products derived from the ginning process would be abolished.

However, the budget recommendations have completely overlooked these commitments, leaving ginners deeply disappointed and frustrated across the industry.

Usman further told Business Recorder that cotton prices in Sindh currently range between Rs21,000 and Rs21,300 per maund, while Phutti in the province is trading between Rs10,000 and Rs11,000 per 40 kilograms. In Punjab, cotton rates stand between Rs22,300 and Rs22,500 per maund, with Phutti fetching between Rs10,075 and Rs11,070 per 40 kilograms.

On the trading activity front, 200 bales from Nauabad were sold at Rs21,000 per maund, while 200 bales from Mir Pur Khas changed hands at Rs20,800 per maund. A total of 400 bales from

Shahdad Pur were sold in the range of Rs20,800 to Rs21,000 per maund, and 600 bales from Tando Adam were traded between Rs21,000 and Rs21,200 per maund.

COTTON SPOT RATES

Published June 14, 2026 Updated a day ago

By Recorder Report

KARACHI: Official KCA spot rates for local dealings in Pakistan rupees on Saturday, (June 13, 2026).

The kca official spot rate for local dealings in Pakistan rupees

For base grade 3 staple length 1-1/16"
Micronaire value between 3.8 to 4.9 NCL

Rate	Ex-gin for	Upcountry price	Spot rate Ex-Karachi	Spot rate ex. Khi. as on 12-06-2026	Difference Ex-karachi
37.324 KG Equivalent	21,000	280	21,280	21,780	-500/-
40 KGS	22,506	300	22,806	23,341	-535/-

Markets / Stocks

SHARES SURGE, OIL SKIDS IN ASIA ON GULF DEAL

- The Nikkei climbed 3.0%. South Korea's red-hot market gained 4.3, while MSCI's broadest index of Asia-Pacific shares outside Japan rose 1.5%

Published June 15, 2026 Updated 17 minutes ago

SYDNEY: Share markets surged in Asia on Monday while the dollar slipped and oil prices tumbled as a tentative peace deal between the United States and Iran promised to ease inflationary pressures globally and lessen the need for higher interest rates.

Pakistani Prime Minister Shehbaz Sharif said on social media early on Monday that a deal had been struck, while President Donald Trump said the agreement included opening the vital Strait of Hormuz, though without giving details.

Trump will meet with Middle Eastern leaders and attend a working session with Ukrainian President Volodymyr Zelenskiy during a G7 summit in France this week.

Iran said traffic through the strait would be regulated by it and Oman, a potential blow to the rules of free trade and suggesting there might be a toll of some sort on shipping.

“The lack of details especially on freedom of shipping is a concern but not one that should constrain markets today as the surge in risk appetite plays out,” said Sean Callow, a senior FX analyst at ITC Markets.

“The prospect of a sustained fall in energy prices changes the conversation for central banks just ahead of a flurry of policy decisions.”

The news will be a relief for the crowd of central banks meeting this week, easing some of the pressure to tighten policy to head off an energy-driven rise in inflationary expectations.

Markets had already priced in a likely deal but the confirmation was enough to send Brent crude falling 4% to $83.80 a barrel, well away from its May peak of $126.41. U.S. crude slid 4.7% to $80.89 a barrel, but was still above the $67 level it traded at before the war began.

“We see Brent oil futures falling to $80 by the end of the year assuming the strait does not close again,” said Vivek Dhar, a mining and energy analyst at CBA.

“Our forecast implicitly assumes that oil and refined product exports can resume quickly through the Strait of Hormuz, but this view carries considerable uncertainty tied to the damage to oil and refinery assets.”

The prospect of cheaper oil will be a boon to Japan which is a net importer of energy, and the Nikkei climbed 3.0%. South Korea’s red-hot market gained 4.3, while MSCI’s broadest index of Asia-Pacific shares outside Japan rose 1.5%.

Relief for central banks

In Europe, EUROSTOXX 50 futures and DAX futures both rose 0.2%, while FTSE futures added 0.3%.

S&P 500 futures climbed 0.9%, while Nasdaq futures jumped 1.5% amid a general surge in risk assets.

Central banks are due to meet in the U.S., UK, Japan, Australia, Switzerland, Sweden, Norway and Russia this week, with Japan considered the one likely to lift rates this time.

The Federal Reserve is widely expected to leave rates at 3.50%-3.75% on Wednesday at Chair Kevin Warsh’s debut meeting. The statement, economic projections and news conference will be scrutinised for any signals of the Fed dropping its easing bias as officials grow more hawkish on inflation risks.

Investors were quick to trim the chance of a hike this year with December futures edging up four ticks while a move as early as October is now priced around 45%.

Treasuries rallied on hopes that oil prices would now fall sustainably and lessen the upside risks for inflation. Yields on 2-year notes dropped 6 basis points to 4.02%.

The drop in yields and general improvement in risk pulled the U.S. dollar broadly lower, with the euro rising 0.4% to $1.1608 . The dollar dipped 0.2% on the yen to 159.90 , while sterling rose 0.3% to $1.3446 .

The Bank of England is expected to hold rates at 3.75% on Thursday and through 2026, with policymakers seen in no rush to tighten. The BoE's vote split and monetary policy report will be of interest.

Top-tier UK data includes May inflation and retail sales, and April employment. Thursday's Makerfield election will also be watched, as a win for Labour Mayor Andy Burnham could set up a leadership contest against Prime Minister Keir Starmer.

In commodity markets, the drop in yields helped non-interest-paying gold climb 1.9% to $4,300 an ounce .

INDIAN SHARES SET TO JOIN GLOBAL RALLY ON GULF PEACE DEAL, OIL SLIDES

- GIFT Nifty futures were trading at 23,983.5

Published June 15, 2026 Updated 34 minutes ago
By Reuters

Indian shares are set to open higher on Monday, tracking a global rally, while oil prices tumbled after US President Donald Trump and Iran's deputy foreign minister said an initial deal had been reached to end the war and resume traffic through the Strait of Hormuz.

The countries will sign a memorandum of understanding in Switzerland on Friday, said Pakistani Prime Minister Shehbaz Sharif, whose country served as a mediator in the negotiations.

GIFT Nifty futures were trading at 23,983.5 as of 7:38 a.m. IST, indicating that the benchmark Nifty 50 would open about 1.5% above Friday's close of 23,622.90.

The Nifty 50 and BSE Sensex rose about 2% and 2.3% on Friday as optimism of a diplomatic breakthrough in the four-month long U.S.-Iran war boosted risk appetite.

Other Asian markets jumped 2.4%, while Brent crude dropped 4.1% to $84 a barrel, the lowest since March.

Lower oil prices are a positive for India, the world's third-largest oil importer, as they help ease pressure on inflation, the rupee and the country's trade deficit.

"The diplomatic resolution in the Middle East reduces geopolitical risk, and the resulting crude oil price decline is especially beneficial to India, as it eases inflationary pressures and improves the macroeconomic outlook," said Pravesh Gour, senior technical analyst at Swastika Investmart.

Foreign portfolio investors offloaded Indian stocks worth 10.82 billion rupees ($113.77 million) on Friday, while domestic institutional investors bought shares worth 53.41 billion rupees, according to NSE's provisional data.

For the year, FPIs have offloaded a record $30.7 billion, pressured by the Iran war and limited exposure to the global AI-led rally. Analysts said a resolution of the Middle East conflict could help revive foreign outflows.

Both the Nifty and Sensex have lost 6.2% and 7.1% since the start of the Iran war in late February.

UK SHARES CLOCK WEEKLY GAINS

Published June 15, 2026 Updated about 5 hours ago

By Reuters

LONDON: UK shares gained in a broad-based rally on Friday amid growing hoping of a peace agreement between Iran and the US, which sent crude oil prices lower, with both the midcap and blue-chip indexes clocking weekly gains.

The blue-chip FTSE 100 index closed 1.6 percent higher at 10,471.7 points, its highest closing level since May 27. The midcap FTSE 250 also jumped 1.6 percent — its best single-day percentage gain in over five-weeks.

Both indexes also clocked an over 1 percent gain for the week.

A Western source told Reuters that if language could be agreed upon, the memorandum could be signed as soon as Sunday by US Vice President JD Vance and Iran's parliament speaker, Mohammed Baqer Qalibaf, with Geneva for now seen as the likeliest venue.

WALL STREET WEEK AHEAD: NEWLY LED FED POSES MARKETS WILDCARD FOR ROCKIER US INDEXES

Published June 15, 2026 Updated about 5 hours ago

By Reuters

NEW YORK: A suddenly rocky US stock market confronts a potential wildcard this week: A newly led Federal Reserve at a time investors are worried that interest rate hikes to fight inflation could dampen enthusiasm for equities.

Investors are eager to see how Fed Chair Kevin Warsh handles his first meeting as head of the US central bank, one of Wall Street's most closely watched events that frequently leads to sharp moves in asset prices.

"As we've seen at times in the past, it can be a bit of a challenge for a newer Fed chief to get the message right, to stick the landing," said Jim Baird, chief investment officer with Plante Moran Financial Advisors. "The market is watching and parsing every word that's said."

After torrid runs, major stock indexes have cooled off so far this month. The benchmark S&P 500 was last down nearly 3 percent from its record closing high from June 2. The Nasdaq Composite had slipped almost 5 percent from its high that day.

Wall Street's "fear gauge," the Cboe Volatility Index this week hit two-month highs, while the major averages were seeing significant daily swings, including sharp gains on Thursday.

Technology shares have led the declines, just as they drove indexes higher in scorching rallies off the market's low for the year in late March. Investors are wary of an overheated rally amid soaring optimism about AI-driven profits, despite risks that include developments in the Middle East war and its impact on energy prices and inflation.

Investors also will closely follow trading in Elon Musk's SpaceX, set to make its market debut on Friday after its massive initial public offering.

The S&P 500 remains up 8 percent this year, while the Nasdaq is up 11 percent.

Any potential interest-rate hike by the Fed could present headwinds for equities by raising borrowing costs for consumers and businesses, while also making bonds more competitive investments.

While the Fed is widely expected to hold rates steady when it gives its monetary policy statement on Wednesday, investors will be looking for signs of policymakers' views going forward.

Warsh was picked by President Donald Trump, who railed at the central bank and prior chair Jerome Powell for not cutting rates more to his liking.

But Fed fund futures suggest market expectations that the central bank will increase rates by the end of the year, according to LSEG data.

Economic data this week showed US consumer inflation in May increased at its fastest pace in three years. This, along with recent solid employment data have led investors to think that the Fed will focus on containing inflation, which could mean leaning more toward rate hikes.

As part of the meeting, Fed officials are expected to give projections about the path of interest rates and about the economy, including inflation. Investors will also closely scrutinize Warsh's press conference after the policy decision on Wednesday.

"The biggest thing is will the Fed hold, and what's the language around it?" said Marta Norton, chief investment strategist at retirement and wealth services provider Empower. "How does it describe inflation?"

Investors will also want to learn Warsh's policy goals and how he might seek to reshape the Fed.

For example, Warsh has expressed a desire to pare the Fed's percent6.7 trillion balance sheet, which could cause ripples in markets.

Warsh might also seek to change the way the Fed communicates or gives guidance about policy, investors said.

"If we are more data dependent and we're not getting visibility from the Fed of what they want to do, then I would think every economic release gets a little bit more attention and can create a little bit more volatility than we've seen over the last few years," said Jeff Given, head of developed-market fixed income at Manulife Investment Management.

MOST GULF MARKETS IN BLACK ON EXPECTED US-IRAN PEACE DEAL

- Saudi Arabia's benchmark index rose 0.6%

Published June 14, 2026 Updated about 12 hours ago
By Reuters

Most Gulf stock markets advanced on Sunday, buoyed by growing optimism over a potential U.S.-Iran peace agreement.

U.S. and Pakistani leaders signaled that a long-awaited framework agreement to end months of fighting between the United States and Iran could be signed on Sunday, with Qatari negotiators flying to Tehran to help finalize the deal.

However, Iran cast doubt on the timing, saying no final decision had been made as political, legal and technical reviews continued.

Saudi Arabia's benchmark index rose 0.6%, with Saudi Arabian Mining Company advancing 5.2%, though oil major Saudi Aramco declined 1.1%.

On Friday, Brent futures settled at $87.33 a barrel, down $3.05, or 3.37%.

Elsewhere, Kingdom Holding gave up early gains to close 6.4% lower.

Saudi billionaire Prince Alwaleed bin Talal's investment firm said it held 42.4 million Class A common shares in SpaceX, valued at 16.76 billion riyals ($4.47 billion), as of its March 31 financial statements.

In Qatar, the index closed 1.9% higher, led by a 3.8% rise in the Gulf's biggest lender Qatar National Bank .

Outside the Gulf, Egypt's blue-chip index climbed 2.3%, as most of its constituents were in positive territory.

Filter:

Saudi Arabia	rose 0.6% to 11,104
Qatar	gained 1.6% to 10,461
Egypt	advanced 2.3% to 51,995
Bahrain	added 0.5% to 1,992
Oman	was up 0.5% to 7,641
Kuwait	closed 1.5% higher to 9,325

Business & Finance / Industry

SM TANVEER WELCOMES 'GROWTH-ORIENTED BUDGET'

Published June 14, 2026 Updated a day ago

By Recorder Report

LAHORE: SM Tanveer, Patron-in-Chief of the United Business Group (UBG) and leader of the FPCCI, has termed the Federal budget 2026-27 a growth-oriented roadmap, expressing optimism that its incentives will play a pivotal role in reviving the economy.

In a statement, Tanveer welcomed key fiscal measures, including the introduction of tax concessions and the abolition of the super tax on exporters, a 50percent reduction in taxes on the real estate sector, the introduction of a fixed tax regime for shopkeepers, and tax relief for the salaried class.

According to him, the business community had been consistently demanding tax cuts to transition the economy from stabilization to active growth.

He also welcomed the increase in the defence budget. He lauded the leadership of Chief of Army Staff General Syed Asim Munir for his role in national defence and commended the joint efforts of the Army Chief and Prime Minister Shehbaz Sharif in the Islamabad peace talks.

On the tax relief aimed at reviving the real estate sector, Tanveer said that he had been actively advocating for these measures over the past year. He stressed that the real estate industry has the potential to trigger growth across roughly 80 allied industries, significantly boosting domestic economic activity.

“The economy can only flourish through export-led growth externally and the revival of domestic commerce internally,” Tanveer stated.

FAILURE TO PROVIDE FISCAL RELIEF TO POULTRY SECTOR COULD LEAD TO HIGHER FOOD PRICES: PPA

Published June 14, 2026 Updated a day ago

By Zahid Baig

LAHORE: The Pakistan Poultry Association (PPA) has voiced serious concerns over the Federal Budget 2026-27, warning that the government’s failure to provide fiscal relief to the poultry sector could lead to higher food prices, reduced investment, lower export competitiveness and increased pressure on food security.

PPA Chairman Abdul Basit, Vice Chairman Malik Muhammad Sharif, and senior members Dr FM Sabir and Khalique Arshad while commenting on the budget expressed disappointment that several longstanding taxation issues affecting the poultry industry remained unresolved despite repeated assurances from policymakers.

The association urged the federal government to revisit taxation measures impacting the sector before the Finance Bill is approved by Parliament, arguing that the continuation of multiple taxes on key production inputs would further inflate poultry production costs and ultimately burden consumers.

The PPA noted that the poultry industry is among Pakistan’s largest and most organized agro-based sectors, playing a critical role in food security, employment generation, rural economic development and the provision of affordable animal protein. The sector also possesses significant potential to earn foreign exchange through exports of value-added poultry products.

However, poultry sector leaders maintained that instead of facilitating growth and investment, the federal budget has retained several taxes that continue to undermine the industry’s competitiveness.

Among its key concerns, the PPA highlighted the continuation of the Rs10 Federal Excise Duty (FED) on every day-old chick, describing it as economically unjustified. According to the association, since day-old chicks represent the first stage of poultry production, the tax directly increases farming costs and ultimately raises poultry prices for consumers.

The association also criticized the 18 percent sales tax on processed chicken, calling it a major obstacle to investment in modern poultry processing facilities. It argued that the levy discourages hygienic and value-added food production, penalizes documented businesses and makes processed poultry products less affordable.

The PPA further expressed concern over import duties and sales taxes imposed on essential poultry feed ingredients, including soybean meal, vitamins, minerals, amino acids and other micro-ingredients. Since feed accounts for nearly 70 to 75 percent of total poultry production costs, higher taxation on these inputs significantly increases the cost of poultry meat and eggs, it said.

“The poultry sector is the backbone of Pakistan’s affordable animal protein supply,” the association said, adding that industry representatives had remained engaged with government officials for months and were repeatedly assured that longstanding taxation anomalies would be addressed in the budget.

“Unfortunately, the final budget has failed to deliver on those commitments, creating uncertainty for investors and stakeholders across the industry,” it added.

The association argued that imposing excessive taxes on primary food production at a time when Pakistan is seeking to curb food inflation, attract investment and expand non-traditional exports is counterproductive. Higher production costs, it said, weaken consumers’ purchasing power and reduce Pakistan’s competitiveness in regional and international poultry markets.

The PPA warned that if corrective measures are not taken, the industry could face further increases in production costs, slower expansion, lower investment and diminished export opportunities, affecting millions of consumers and thousands of livelihoods linked to the poultry value chain.

The association appealed to the Prime Minister, the Finance Minister and the Federal Board of Revenue (FBR) to urgently review the Finance Bill and withdraw the Rs10 FED on day-old chicks, rationalize or abolish the 18 percent sales tax on processed chicken, and reduce customs duties and sales taxes on essential poultry feed ingredients and raw materials.

According to the PPA, such measures would help reduce production costs, stabilize poultry prices, encourage investment, strengthen food security, generate employment and enhance Pakistan’s export potential in the poultry sector.

BUDGET FAILS TO MEET REAL ECONOMIC NEEDS: HSATI

Published June 14, 2026 Updated a day ago

By Recorder Report

HYDERABAD: Hyderabad SITE Association of Trade and Industry Chairman Zubair Ghangra, Senior Vice President Aamir Shahab and Vice President Esar Kumar, in their detailed and joint response to the federal budget 2026-27, have said that the government's tariff reforms, improvements in the tax system and some digitalization measures are partially positive developments for the industrial and commercial sector, however, overall this budget appears to fail to meet the country's real economic needs, industrial development, employment promotion and export expansion goals.

He said that the reduction in the cost of industrial raw materials and machinery through reduction in customs duty, additional customs duty and regulatory duty under the National Tariff Policy 2025-30 is a positive step, while measures such as relief on agricultural machinery, reduction in withholding tax on exports, extension of incentives for IT exports and partial reduction in super tax can be expected to improve the investment climate. However, according to him, these measures are insufficient for real industrial revival as fundamental structural problems still exist.

Office bearers of the SITE Association said that the current budget highlights limited class incentives and administrative reforms rather than the common man and the productive economy. According to them, such measures that are related only to the high-income classes or limited financial activities do not have a wide impact on the overall economy. He said that the business community is currently the most vulnerable to high energy prices, expensive loans and unstable production costs, but the budget has not presented any comprehensive strategy to address these fundamental problems.

Chairman Zubair Ghangra said that the most important factor for industrial development is the cost of energy, but no clear measure has been included to reduce electricity and gas prices. According to him, the industrial zones of Sindh, including Hyderabad division, are constantly facing basic infrastructure problems, but no special package has been unveiled for their improvement, which is regrettable.

Senior Vice President Aamir Shahab said that the main focus of the budget is on revenue collection and increasing compliance, while there is no comprehensive program for industrial expansion, development of SMEs and creation of employment opportunities. He said that the country's economy is already burdened by debt and this budget also continues to have a huge fiscal deficit and dependence on debt, which is a dangerous trend for long-term economic stability. According to him, the same types of budgets are being presented again and again, which lack basic structural reforms.

Vice President Asar Kumar said that Hyderabad, Kotri and other industrial clusters are facing serious problems in basic infrastructure like roads, water, drainage and industrial facilities, but no significant investment has been included in the budget for these sectors. According to him, without industrial development, neither employment can be created nor can exports increase.

HSATI officials jointly said that while tariff reforms, digital reforms and limited tax relief are welcome, overall the budget reflects a traditional, un-developmental and limited thinking, which is neither sufficient for industrial revival nor provides relief to the common citizen. They said that the country needs a comprehensive economic vision that gives centrality to production, exports, employment and investment. He demanded that the government immediately present a comprehensive industrial and economic package that includes a significant reduction in energy prices, provision of easy and cheap loans to SMEs, improvement of industrial infrastructure, and special incentives for other industrial areas including Hyderabad Division, so that real and sustainable economic growth is possible.

PTEA SAYS IT'S A 'BALANCED, GROWTH-ORIENTED BUDGET'

Published June 14, 2026 Updated a day ago

By Press Release

FAISALABAD: The Pakistan Textile Exporters Association (PTEA) termed the Federal Budget 2026-27 a balanced and growth-oriented budget that reflects the economic realities of the country and expressed optimism that its pro-industry initiatives and supportive policy measures will stimulate economic activity, strengthen industrial growth, and contribute to sustainable economic development across the country.

Commenting on the Federal Budget, Chairman PTEA, Sohail Pasha, appreciated the Government's efforts to support economic recovery, promote industrial growth, and improve the ease of doing business. He stated that the measures announced in the budget provide a positive direction for the national economy, foster investor confidence, and create a conducive environment for business expansion and employment generation. He expressed the hope that these initiatives would not only accelerate economic activity and strengthen key sectors of the economy but also deliver tangible benefits to the wider population, particularly lower-income segments. He further noted that improving macroeconomic fundamentals, coupled with stable remittance inflows, and enhanced economic confidence, is expected to support stronger GDP growth, and contributes to sustained economic progress in the coming years. Appreciating the announcement of abolishing Super tax for persons having income of up to Rs500 million and reduction in tax collection on export proceeds from 2 percent to 1.25 percent, he said that the measures would provide much-needed relief to the export sector, improve liquidity, stimulate investment, support export-led growth, and contribute to the overall expansion of economic activity across the country.

Expressing his views on the Federal Budget 2026-27, PTEA Vice Chairman Ameer Ahmad stated that a strong and resilient economy is the foundation of sustainable national development and prosperity. He appreciated the Government's efforts to pursue prudent economic policies and expressed confidence that the measures announced in the budget would help strengthen economic stability, promote investment and industrial growth, and pave the way for progress across all sectors of the economy. He expressed optimism that Pakistan would continue on a path of sustainable growth and development in the years ahead. He welcomed the elimination of 0.25 percent Export Development Surcharge (EDS) and the reduction in the markup rate under the Export Facilitation Scheme from 9 percent to 4.5 percent, describing these measures as timely and highly encouraging for the export sector.

Technology

AMAZON VOICED CONCERNS ABOUT ANTHROPIC AI MODELS BEFORE US CRACKDOWN, SOURCE SAYS

- Jassy's involvement sheds light on the extraordinary move by Anthropic on Friday to shut down its latest models globally in response to national security orders from President Donald Trump's administration

Published June 14, 2026 Updated about 22 hours ago
By Reuters

Amazon CEO Andy Jassy was among tech leaders who raised concerns to senior Trump administration officials this week about security risks in Anthropic's most advanced AI models, a person familiar with the matter told REUTERS.

Jassy's involvement sheds light on the extraordinary move by Anthropic on Friday to shut down its latest models globally in response to national security orders from President Donald Trump's administration.

The San Francisco-based AI startup, which has confidentially filed for a U.S. initial public offering, had previously warned about the hacking capabilities of its Mythos model and held it back from wide release, but earlier this week, Anthropic rolled out a public version, called Fable, with what it described as cybersecurity safeguards.

That brief release ended on Friday. In a blog post, Anthropic said the U.S. government told the company it believes there is a method of bypassing, or "jailbreaking," a safeguard against using the model to find cybersecurity holes.

The bypass found only "minor" security flaws that other publicly available models can also find, Anthropic said in its blog post.

The Trump administration ordered Anthropic to block any foreign nationals, whether inside or outside the U.S., from using both its latest models, Fable 5 and Mythos 5, the company said. In response, Anthropic said it would disable access to the models globally.

Amazon did not confirm whether it spoke to government officials about Anthropic's models.

“As a leading cloud provider that serves a large number of private and public sector customers, it’s not uncommon for governments to seek our counsel on potential security risks,” an Amazon spokesperson said. “When they occur, we don’t share the details of these discussions.”

Export controls

The Information, a technology news outlet, earlier on Saturday reported Jassy’s concerns. The Information, citing a U.S. official, later reported that the administration was unlikely to force other AI firms to abide by restrictions similar to those placed on Anthropic.

REUTERS could not immediately verify the Trump administration’s plans for regulating other firms.

The US government restrictions came in the form of an export control, Anthropic said in its blog post. The U.S. Commerce Department’s Bureau of Industry and Security, which oversees export controls, did not immediately respond to a request for comment.

Officials issued the export control “reluctantly” after Anthropic CEO Dario Amodei “refused” to “fix the jail break or de-deploy the model,” White House adviser David Sacks wrote in a social media post on Saturday.

“The Admin’s hope now is that Anthropic remediates the safety issue, the export control is lifted, and Fable goes back into general release,” wrote Sacks, co-chair of Trump’s Council of Advisors on Science and Technology and formerly the White House’s AI czar.

Amazon cloud unit’s data centres in UAE, Bahrain damaged in drone strikes

Some experts who favor export controls on advanced AI models found the Trump administration’s action puzzling because it affects allied nations as well as adversaries.

“This was not well thought-out,“ said Jimmy Goodrich, a senior fellow at the University of California’s Institute for Global Conflict and Cooperation. “It even bans Canadians and Brits employed at Anthropic from doing research and development.”

The order came just as a previous dispute between Trump administration officials and Anthropic showed signs of easing across parts of the US government.

THE INFLUENCER AUDIT: FBR IS COMING FOR THE DIGITAL WEALTH OF CONTENT CREATORS

Budget 2026-27 IT & Telecom Taxation

June 14, 2026Faisal Shahnawaz

The Free Ride Is Over: Finance Bill 2026 unleashes a relentless withholding tax regime targeting the untold millions of undeclared social media earnings.

ISLAMABAD — The era of untraceable digital wealth is facing an abrupt reality check.

In a calculated move to dismantle the shadow economy of the digital elite, the Federal Board of Revenue (FBR) has launched a sweeping offensive in the Finance Bill, 2026. Their target? The skyrocketing, often undisclosed fortunes of social media influencers and digital content creators who have long operated just outside the taxman's radar.

Official sources reveal that the FBR has spent months tracking a massive spike in luxury lifestyles funded by digital platforms—juxtaposed against a stark absence of tax returns. The game has officially changed.

The Secret Weapon: Section 154B

To bridge this massive fiscal gap, the government isn't just asking for compliance; they are automating it. The Finance Bill, 2026 proposes the insertion of a razor-sharp new clause into the Income Tax Ordinance, 2001: Section 154B.

This isn't a gentle request to file papers. It is an unavoidable financial dragnet.

Under this proposed law, banking and non-banking financial institutions will be transformed into frontline compliance officers. The moment digital revenue hits an account, the bank will intercept it.

The Trapdoor is Absolute

"Every banking and non-banking financial institution shall, at the time of credit or receipt of any amount in an account of a person, deduct tax… where such amount represents revenues received from social media platforms."

Who is in the Crosshairs?

The legal definition drafted into the bill leaves absolutely no room for ambiguity or clever loopholes.

• The Target List: Any individual or entity turning clicks into cash across YouTube, Facebook, Instagram, TikTok, and any matching digital ecosystem. If you create, publish, or monetize, you are on the list.

• The Cash Streams: "Payment" now legally covers every conceivable entry point—inward remittances, wire transfers, or direct credits via digital payment intermediaries and online financial platforms.

The 5% Digital Toll

The FBR isn't playing favorites. The bill proposes a uniform withholding tax rate of 5 per cent, slicing directly into the gross revenues of both resident taxpayers on the Active Taxpayers' List and non-resident creators.

• For Residents: The deducted cash acts as a minimum tax threshold.

• For Non-Residents: If you don't have a permanent establishment in Pakistan, that 5% slice is treated as a final tax liability—deducted at the border, gone forever.

The End of the Wild West

For years, the influencer marketing machine—fueled by brand collaborations, secret PR sponsorships, ad revenues, and viral monetization—has operated like the Wild West. Tax officials view this crackdown as a long-overdue capture of massive, untaxed capital that has actively avoided formalizing.

While financial experts agree this is a monumental leap toward modernizing Pakistan's digital economy, a tense question mark hangs over the battlefield: Can the FBR truly police cross-border digital payments, or will the internet's elite find a new way to stay in the shadows?

If passed, the days of tax-free viral fame end with the enactment of the Finance Bill, 2026. One thing is certain: the FBR is officially hitting the follow button.

Business & Finance / Companies

CHINESE CO ANNOUNCES INVESTMENT

Published June 14, 2026 Updated a day ago

By Recorder Report

LAHORE: Provincial Minister for Industries and Commerce Choudhry Shafay Hussain held a meeting with Chairman of China's leading energy company DOARTROCKCORE, Pennypeng, on Saturday to discuss matters related to investment opportunities in Punjab.

Chairman DOART-ROCKCORE Pennypeng briefed the minister about his company's investment plans in Punjab and said that his group would invest in the solar energy sector in the province. He said that the company would establish a manufacturing plant for solar panels, inverters and batteries on 21 acres of land in a Special Economic Zone.

He stated that in the first phase, the company would invest USD15 million, which would create 1,500 employment opportunities.

PSDF, BOP INK DEAL TO LAUNCH 'PARWAAZ CARD'

Published June 14, 2026 Updated a day ago

By Press Release

LAHORE: Punjab Skills Development Fund (PSDF) and The Bank of Punjab (BOP) have signed an agreement to operationalise the Chief Minister's Parwaaz Card Scheme for International Placement, facilitating financial access for youth seeking overseas employment opportunities.

The agreement was signed by BOP Chief Digital Officer Nofel Daud and PSDF CEO Ahmed Khan.

This strategic partnership establishes an outcome-based model to remove the barrier of upfront cost of opportunity in overseas employment for Punjab's skilled youth. Under the scheme, eligible candidates in sectors including Construction, Retail, Care-giving, Hospitality, and allied sectors will access interest-free loans of up to PKR 1,000,000 to cover pre-departure expenses, enabling a smoother pathway to global employment. The initiative targets 45,000 loan beneficiaries over two years.

"With Parwaaz Card, Punjab is investing for the right of youth to access overseas employment opportunities, and strengthen the economy through foreign remittances," said Adnan Afzal Chattha, Chairperson, CM Punjab Taskforce on Skills Development. "This intervention reflects Pakistan's significant trained human export potential served as a key driver behind the development of Parwaaz Card," added Nadir Chattha, Secretary, Skills Development & Employment Department (SD&ED)

PSDF is responsible for applicant on-boarding, facilitation, and coordination with Overseas Employment Promoters (OEPs), while BOP will manage KYC verification, loan appraisal, approval, disbursement, and repayment.

President BOP Zafar Masud indicated coordination with the State Bank of Pakistan (SBP) to explore early access to Roshan Digital Accounts for Parwaaz Card holders.

PSDF CEO Ahmed Khan stated: "With Parwaaz Card and our partnership with BOP, we are ensuring that the journey towards international placement is not interrupted by financial barriers."

BOP Chief Digital Officer Nofel Daud added: "With our lending infrastructure, we are creating a model that is not only impactful but sustainable."

Together, this partnership builds the institutional architecture for a sustainable skills export ecosystem, connecting Punjab's skilled talent pipeline directly to global demand, while creating a structured remittance corridor that returns lasting economic value to the province and the country.

Markets / Financial

INFORMATION MINISTER HIGHLIGHTS SUBSTANTIAL TAX RELIEF FOR SALARIED CLASS IN BUDGET DEBATE

- National Assembly budget debate enters another day as treasury, opposition trade arguments

Published June 14, 2026 Updated about 14 hours ago

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Comments

By BR Web Desk

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Minister for Information and Broadcasting Attaullah Tarar on Sunday said the budget for the next financial year is relief-oriented and caters to the demands of all segments of society.

The minister said this participating in the budget debate in the National Assembly, as the discussion on the budget for the next financial year continues in the lower house, Radio Pakistan reported.

He noted that the budget has received a positive response from various quarters, including economists and opinion makers. He said the government welcomes constructive proposals from the opposition but emphasised that the positive measures introduced in the budget should also be acknowledged by members of the opposition.

The information minister said that the country has achieved macroeconomic stability as a result of the consistent efforts of the present government. He also credited the Chief of Army Staff and Chief of Defence Staff, Field Marshal Syed Asim Munir for his contributions towards economic stability. Expressing confidence in the country's economic outlook, he said Pakistan's economy is now firmly on the path of growth.

Tarar highlighted that substantial relief has been given to the salaried class in the budget, emphasizing that this relief is for the entire salaried class. "There is no tax on those earning up to Rs50,000, while those earning between Rs50,000 and Rs100,000 per month are subject to a tax rate of only 1%," he pointed out.

The information minister also alluded to the relief given to the exporters in the budget. He noted that relief for the construction sector, as well as the Apna Ghar Scheme, will boost economic activity in the country and provide job opportunities for people.

Referring to reforms in the FBR, Tarar said such a system has been introduced under which taxpayers will no longer bear the burden of those who do not pay taxes.

Participating in the discussion, Haji Jamal Shah Kakar said that the development of Balochistan should be prioritised in the budget. He said efforts should be made to address the water problems of Quetta.

Shahid Ahmed emphasised that peace is important to promote tourism in the country. "Low-income groups are faced with difficulties due to inflation and higher prices of petroleum products," he said.

Syed Hussain Tariq said short-term and long-term policy measures are necessary to address unemployment effectively. He also emphasised for introducing latest technology in the agri sector.

Asad Qaiser said that relief and subsidies should be given to the farmers keeping in view the inflation.

Responding to some of Qaiser's remarks, Minister for Planning and Development Ahsan Iqbal recalled that senior leaders of the Pakistan Muslim League-Nawaz (PML-N) were imprisoned during the Pakistan Tehreek-e-Insaf (PTI) government. He said PML-N leaders were implicated in fake cases at that time.

Sharmila Faruqui said that the budget envisages nothing concrete for the youth. She also voiced concerns over the circular debt of the energy sector.

Amir Dogar demanded reduction in petroleum levy to provide relief to the common man. He said allocations for the construction of water reservoirs should be enhanced.

Shahida Begum said the government should consider reducing the GST to provide relief to the poor people.

Syed Waseem Hussain highlighted the problems faced by Karachi, emphasizing these should be addressed.

Responding to the points of Syed Waseem Ahmad, Planning and Development Minister Iqbal said the Hyderabad-Sukkur motorway will be completed in the next three to four years.

He said that work has started on the new alignment of M-9 Karachi-Hyderabad. He said K-4 project will be completed by the end of this year, following which the provincial government will carry out its augmentation.

"The federal government also provided a grant for the establishment of a university in Hyderabad," he said.

GOLD PRICE PER TOLA GAINS RS4,370 IN PAKISTAN

- Reaches 444,336

Published June 13, 2026 Updated a day ago
By BR Web Desk

Gold prices in Pakistan increased on Saturday in line with their gain in the international market. In the local market, gold price per tola reached Rs444,336 after a gain of Rs4,370 during the day.

Similarly, 10-gram gold was sold at Rs379,880 after it increased by Rs3,933, according to rates shared by the All-Pakistan Gems and Jewellers Sarafa Association (APGJSA).

On Friday, gold price per tola reached Rs439,966 after a gain of Rs7,250 during the day.

The international rate of gold was up by $43 to reach $4,219 per ounce (with a premium of $20).

Meanwhile, the price of silver increased by Rs200 to reach Rs7,279 per tola.

Fuel & Energy

OIL SLIPS 4% AS US, IRAN REACH PEACE DEAL TO REOPEN STRAIT OF HORMUZ

- Brent crude futures fell $3.58, or 4.10%, to $83.75 a barrel

Published June 15, 2026 Updated 35 minutes ago
By Reuters

SINGAPORE: Oil prices slipped to their lowest since March on Monday after US President Donald Trump and Iran's deputy foreign minister said they had reached an initial deal to end the war and to resume traffic through the Strait of Hormuz.

Brent crude futures fell $3.58, or 4.10%, to $83.75 a barrel by 0004 GMT and US West Texas Intermediate was at $80.87, down $4.01, or 4.72%.

Both contracts tumbled more than 3% on Friday.

The US and Iran will sign a memorandum of understanding in Switzerland on Friday, said the prime minister of Pakistan, whose country has served as a mediator.

Trump said on Sunday that the Strait of Hormuz would be open "toll free" and that a US naval blockade of Iranian ports would also end.

Iran's semi-official Mehr news agency said the draft deal called for reopening the Strait of Hormuz within 30 days under Iranian arrangements.

"The geopolitical risk premium that had been built into crude is now being unwound quite aggressively as traders price in the prospect of restored oil flows," said Tim Waterer, chief market analyst at KCM Trade.

The world has lost millions of barrels of oil and gas supply since the war closed the Strait of Hormuz, a chokepoint for a fifth of the world's oil and liquefied natural gas supplies, for more than three months.

Investors are also watching cautiously how quickly Middle Eastern producers can resume oil production and exports following damage from the war and whether more ships will enter the region.

US, Iran inch closer to deal, timing remains unclear

"While these uncertainties suggest upside risks to our forecast for Brent oil futures to reach $80/bbl by the end of the year, it's worth noting that oil flows through the Strait of Hormuz just needs to reach 60-70% of pre-war levels to return oil markets to pre-war oversupply expectations," Vivek Dhar, a commodities strategist at Commonwealth Bank of Australia, said in a note.

Iran's deputy foreign minister, Kazem Gharibabadi, said a more expansive agreement would be negotiated during a 60-day ceasefire period.

E4 nations, which include the UK, France, Germany and Italy, said on Sunday the countries were prepared to lift sanctions on Iran in response to steps on its nuclear programme.

"Given the uncertainties around the next round of negotiations over the next 60 days, particularly around the nuclear aspect, it's hard to see crude oil prices falling too much further from here immediately," IG market analyst Tony Sycamore said.

AUSTRALIA TRIBUNAL REJECTS MOVE BY JAPAN'S INPEX TO STOP LNG STRIKE

- The strike at the 9.3-million-ton-per-year facility will now run until June 23 with a ban on the loading of all cargoes

Published June 14, 2026 Updated about 22 hours ago
By Reuters

PERTH: An Australian labour tribunal on Sunday rejected an application by Japanese gas company Inpex to halt a strike by some 400 oil and gas workers at its Ichthys LNG project.

The Fair Work Commission rejected Inpex's claim that a shutdown would hurt the Australian economy due to lost export revenue and would risk dangerous blackouts.

The strike at the 9.3-million-ton-per-year facility will now run until June 23 with a ban on the loading of all cargoes.

The commission's deputy president, Michael Easton, ruled that unions and the company must keep bargaining.

Inpex did not immediately respond to a request for comment outside business hours. The company is expected to submit another offer to workers on Monday.

After a lengthy hearing that began on Saturday, Easton said he had found no evidence of an adverse economic effect from a strike or a danger to Australia's Northern Territory but accepted Inpex's view that there could be a halt to production that could last up to a week.

"I do not regard this to be a significant disruption. At least some of the previous production will not be lost as soon as the loading ban is lifted," he said.

Power and Water Corp, a government-owned utility for the Northern Territory, has organised contingency measures to avoid blackouts, Easton said, while the Ichthys liquefied natural gas facility has sustained more comprehensive outages in the past with no adverse effect.

Strikes escalated on Thursday to periods of up to eight hours after Inpex and union groups failed to find a solution. Late on Friday, the strike periods were wound back to two blocks of two hours at the beginning and end of a shift.

['29.7pc drop in LNG import volumes delays decisions on new terminals']

The strike will result in LNG and condensate storage onshore reaching capacity within a few days, forcing a production shutdown, Inpex's superintendent for onshore, Damien Chandler, told the commission.

If production is halted for a week, four LNG cargoes would miss their loadings, an Inpex employee said, while two condensate cargoes had already missed loading.

Another Inpex employee said offshore production could slow and that this could create technical challenges that would also lead to a shutdown.

Ichthys is a joint venture between Inpex, France's TotalEnergies and the Australian subsidiaries of CPC Corporation Taiwan, Osaka Gas, Kansai Electric Power, JERA and Toho Gas.

BRENT FALLS TO LOWEST SINCE MARCH ON LIKELY PEACE DEAL

Published June 14, 2026 Updated a day ago

By Reuters

HOUSTON: Brent crude prices fell to their lowest levels since early March as traders grew more confident about an imminent peace agreement between the US and Iran.

Brent futures settled at USD87.33 a barrel, down USD3.05, or 3.37percent. US West Texas Intermediate (WTI) crude finished at USD84.88, down USD2.83, or 3.23percent. That was WTI's lowest level since April 17.

"What's got the market going down is the Iranians saying there is a memorandum of understanding (with the US)," said John Kilduff, partner with Again Capital.

A memorandum between the US and Iran to halt the war in the Gulf could be signed as soon as Sunday, a Western source told Reuters on Friday, with Geneva emerging as the likeliest venue. Iranian Foreign Minister Abbas Araqchi said on Friday that a memorandum of understanding had not yet been signed and could still change.

US President Donald Trump called off threatened air strikes against Iran on Thursday, while Iran's Mehr news agency reported that final negotiations on the memorandum would focus on nuclear and economic issues but would exclude discussions about Iran's missile programme. Iran's IRNA news agency, meanwhile, said nuclear talks would take place within a 60-day period after a memorandum was signed. "Headlines are driving the market once again as confidence grows that an eventual deal will be struck and the Strait (of Hormuz) reopens," said Tamas Varga, an analyst at PVM Oil Associates. One caveat, however, is that global and regional oil stocks are still low and could drift lower, even with a deal, as it would take time to ensure uninterrupted oil flows, he added.

On Thursday, Iran announced a complete closure of the strait, saying it would fire on any ship trying to pass through. Traffic through the strait, which normally carries a fifth of global oil and liquefied natural gas shipments, has been extremely limited as a result of the war. The US military, however, said on social media that commercial ships continued to transit the waterway.

“We believe the market reaches an inflection point in late July if we do not see oil flows resuming before then,” ING analysts said in a note. “This is when inventory levels and seasonally stronger demand push prices significantly higher towards USD120-130 per barrel.” Again Capital’s Kilduff said an agreement couldn’t come at a better time. “This really can’t go on much longer before there are shortages,” he said.

Goldman Sachs lowered its 2027 average Brent forecast to USD80 a barrel on higher supply and lower demand, but expects prices to exceed the 2025 average on stockpiling of OECD commercial oil stocks and a security premium for disruptions.

The Organization of the Petroleum Exporting Countries on Thursday lowered its forecast for 2026 world oil demand growth to 970,000 barrels per day from a previous 1.17 million bpd, its second straight downward revision.

The producer group also said consumption would eventually rebound. It expects oil demand in 2027 to rise by 1.73 million bpd, up 190,000 bpd from its previous forecast.

Rates

PSX ENDS ON POSITIVE NOTE

Published June 15, 2026 Updated about 6 hours ago

By Recorder Review

KARACHI: The Pakistan Stock Exchange (PSX) closed the outgoing week on a positive note, with the benchmark KSE-100 Index gaining 1.1 percent despite sharp volatility and briefly falling below the key 170,000-point level, as easing tensions between the United States and Iran and declining international oil prices improved investor sentiment and revived risk appetite.

The benchmark KSE-100 Index advanced 1,921 points, or 1.13 percent, on a week-on-week basis to settle at 172,399.90 points, compared with 170,478.94 points a week earlier. During the week, the market touched an intraday high of 173,093 points and a low of 168,433 points, reflecting considerable volatility before staging a strong recovery.

Market activity remained uneven throughout the week. The benchmark index declined by 0.89 percent on Monday to close at 168,953.71 points, recovered 0.81 percent on Tuesday to 170,330.56 points, slipped 0.53 percent on Wednesday to 169,427.44 points, edged up 0.16 percent on Thursday to 169,703.60 points, and then surged 1.59 percent on Friday to end the week at 172,399.90 points.

The strong weekly performance also added substantially to investor wealth, with the total market capitalization of the Pakistan Stock Exchange increasing to Rs19.12 trillion by the close of trading on Friday, compared with Rs18.93 trillion a week earlier. This represented an increase of approximately Rs191.76 billion, reflecting the broad-based recovery in equity prices amid improving investor sentiment.

The BRIndex100 opened the week at 18,850.25 points and closed at 19,068.90 points, registering a gain of 218.65 points during the period. Total turnover in the index stood at 2.78 billion shares, translating into an average daily turnover of approximately 555.94 million shares.

Similarly, the BRIndex30 advanced from 68,904.70 points at the start of the week to 69,194.02 points at the close, posting a gain of 289.32 points. Weekly turnover in the index reached 1.64 billion shares, averaging approximately 328.50 million shares per trading day.

According to market analysts, the week's gains were primarily driven by improving prospects for a diplomatic resolution between Washington and Tehran, which eased concerns regarding potential disruptions to global oil supplies and helped lower crude oil prices. The improvement in the geopolitical outlook encouraged investors to return to equities after weeks of uncertainty linked to regional tensions.

The market also received support from strong remittance inflows. Data released during the week showed that workers' remittances reached a record monthly high of $4.3 billion in May 2026, reflecting an increase of 15 percent year-on-year and 20 percent month-on-month. On a cumulative basis, remittances during 11MFY26 rose 9 percent to $38.1 billion, providing additional comfort regarding the country's external account position.

Meanwhile, automobile sales remained robust. According to figures released by the Pakistan Automotive Manufacturers Association (PAMA), car sales reached 17,660 units in May 2026, registering a 19 percent year-on-year increase, although sales were down 20 percent month-on-month.

Average daily trading activity remained strong throughout the week, with average daily volume standing at 776 million shares, while average daily traded value reached approximately Rs29 billion, reflecting healthy investor participation.

Foreign investors remained net sellers during the week. According to Topline Securities, foreign corporates recorded net sales of $19.42 million, while local individual investors emerged as the major buyers, purchasing equities worth USD19.4 million, effectively absorbing foreign selling pressure.

On the macroeconomic front, the Sensitive Price Index (SPI) for the week ended June 11, 2026 increased 15.06 percent year-on-year and 0.16 percent week-on-week, indicating that inflationary pressures remained elevated despite recent moderation in energy prices.

The Roshan Digital Account (RDA) initiative continued to attract overseas investor interest. Total net investments made through RDA from November 2020 to May 2026 reached USD1.93

billion. This included USD586 million in conventional Naya Pakistan Certificates, USD1.21 billion in Islamic Naya Pakistan Certificates, and USD135 million in Roshan Equity Investments. Total balances in RDA accounts stood at USD700 million, while net repatriable liabilities amounted to USD2.71 billion.

Government debt statistics released during the week showed that central government debt increased 1.7 percent month-on-month to Rs81.9 trillion as of April 2026, compared with Rs74.9 trillion recorded in April 2025, reflecting an annual increase of 9.3 percent.

In the petroleum sector, the government reduced the price of motor spirit by Rs4.00 per litre to Rs377.78 per litre. The decline was driven by a decrease of Rs28.58 per litre in ex-refinery prices, partially offset by a Rs24.74 per litre increase in petroleum levy. The price of high-speed diesel remained unchanged at Rs380.78 per litre, as an increase in ex-refinery prices was offset by a reduction in petroleum levy.

The upstream energy sector, however, showed some weakness. According to the latest Pakistan Petroleum Information Service (PPIS) data, oil production declined 1 percent week-on-week to 69,700 barrels per day, mainly due to lower output from the Shewa, Makori East and KPD fields. Gas production also fell 2 percent to 3,021 million cubic feet per day, largely due to a 20 percent decline in flows from the Qadirpur field.

Analysts believe market direction in the coming weeks will largely depend on further developments on the geopolitical front and investors' assessment of measures announced in the Federal Budget FY27.

Improved prospects for a lasting diplomatic solution between the United States and Iran are expected to remain a key driver of sentiment, while macroeconomic indicators and policy announcements will continue to shape investment decisions.

THE RUPEE: MARGINAL GAIN

Published June 15, 2026 Updated about 6 hours ago

By Recorder Review

KARACHI: The Pakistani rupee continued to post marginal gain against the US dollar, appreciating 0.03 percent in the inter-bank market during the previous week.

The local unit closed the week at 278.32, a gain of Re0.09 against 278.41 it had closed the earlier week.

The inflow of overseas workers' remittances into Pakistan stood at USD4.251 billion in May 2026, SBP data.

In terms of growth, remittances increased by 20.2 percent on a month-on-month basis and 15.4 percent on a year-on-year basis.

Cumulatively, workers' remittances increased by 9.2 percent to USD38.1 billion during Jul-May FY26, compared to USD34.9 billion received during the same period last year.

Foreign exchange reserves held by the SBP increased by USD25 million to USD17.21 billion during the week ended June 5, 2026.

The country's total liquid foreign reserves stood at USD22.67 billion. Commercial banks held net foreign reserves of USD5.46 billion.

The government unveiled the federal budget for fiscal year 2026-27, seeking to achieve GDP growth of 4 percent and inflation at 8.2 percent.

Open-market rates

In the open market, the PKR lost 22 paise for buying and 8 paise for selling against USD, closing at 278.67 and 279.55, respectively.

Against Euro, the PKR lost 3 paise for buying and gained 12 paise for selling, closing at 322.43 and 325.63, respectively.

Against UAE Dirham, the PKR lost 30 paise for buying and 24 paise for selling, closing at 75.87 and 76.53, respectively.

Against Saudi Riyal, the PKR lost 35 paise for buying and 30 paise for selling, closing at 74.18 and 74.80, respectively.

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Weekly inter-bank market rates for dollar

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Bid Close Rs. 278.32

Offer Close Rs. 278.52

Bid Open Rs. 278.41

Offer Open Rs. 278.61

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Weekly open-market rates for dollar

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Bid Close Rs. 278.67

Offer Close Rs. 279.55

Bid Open Rs. 278.45

Offer Open Rs. 279.47

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AUTOMART: CAR PRICES IN KARACHI

Published June 15, 2026 Updated about 6 hours ago

By Recorder Report

KARACHI: The prices of different makes and models of cars prevailing in Karachi in the week ended Sunday (June 14 2026).

Product Description	Prices Standard Model	Fully A/C Model	Loaded Model
SUZUKI			
Suzuki Alto VXR AGS Upgraded	3,166,480		-
Suzuki Alto VXL AGS Upgraded	3,326,450		-
Suzuki Alto VXR Upgraded	2,944,861		-
Suzuki Cultus VXR	4,089,490		-
Suzuki Cultus VXL	4,359,160		-
Suzuki Cultus Auto Gear Shift	4,591,460		-
Suzuki Ravi Euro ll	2,075,560		-
Suzuki Ravi Deckless	1,889,810		-

Suzuki Swift GL Manual	4,460,160
-	
Suzuki Swift GL CVT	4,605,600
-	
Suzuki Every VX	2,912,230
-	
Suzuki Every VXR	2,965,200
-	
Suzuki Swift GLX CVT	4,766,190
-	

Honda

Honda BR-V i-VTEC S	6,429,000
-	
Honda City 1.2L M/T	4,696,000
-	
Honda City 1.2L CVT	4,737,000
-	
Honda City 1.5L CVT	5,439,000
-	
Honda City 1.5L ASPIRE M/T	5,649,000
-	
Honda City 1.5L ASPIRE CVT	6,069,000
-	
Honda City 1.5L ASPIRE S CVT	6,149,000
-	
Honda HR-V e:HEC	8,999,000
-	
Honda HR-V VTi	7,549,000
-	
Honda HR-V VTi-S	7,799,000
-	
Honda Civic Oriel	8,834,000
-	
Honda Civic Standard	8,499,000
-	
Honda Civic RS	10,100,000
-	

Toyota

Toyota Yaris Sedan GLI MT 1.3	4,649,000
-	
Toyota Yaris Sedan ATIV MT 1.3	4,829,000
-	
Toyota Yaris Sedan GLI CVT 1.3	4,835,000
-	
Toyota Yaris Sedan ATIV X CVT 1.5 Black Interior	6,449,000
-	
Toyota Yaris Sedan ATIV X CVT 1.5	

Beige Interior	6,389,000
-	
Toyota Yaris Sedan ATIV CVT 1.3	5,719,000
-	
Toyota Corolla Altis X Manual 1.6	6,194,000
-	
Toyota Corolla Altis 1.6 X CVT-i	6,794,000
-	
Toyota Corolla Altis X CVT-i 1.8	7,124,000
-	
Toyota Corolla Altis 1.6 X CVT-i Special Edition	7,434,000
-	
Toyota Corolla Altis Grande X CVT-i 1.8 Beige Interior	7,764,000
-	
Toyota Corolla Altis Grande X CVT-i 1.8 Black Interior	7,804,000
-	
Toyota Hilux Revo G 2.8	12,329,000
-	
Toyota Hilux Revo V Automatic 2.8	14,279,000
-	
Toyota Hilux Revo G Automatic 2.8	12,939,000
-	
Toyota Hilux E	11,379,000
-	
Toyota Hilux Revo Rocco	14,869,000
-	
Toyota Hilux Revo GR-S	15,839,000
-	
Toyota Fortuner 2.7 G	12,547,000
-	
Toyota Fortuner 2.8 Sigma 4	18,651,000
-	
Toyota Fortuner 2.7 V	15,047,000
-	
Toyota Fortuner Legender	19,681,000
-	
Toyota Fortuner GR-S	20,611,000
-	
Toyota Corolla Cross 1.8 HEV	8,535,000
-	
Toyota Corolla Cross 1.8	7,235,000
-	
Toyota Corolla Cross 1.8 X	7,935,000
-	
Toyota Corolla Cross 1.8 HEV X	8,935,000
-	
Toyota Hiace Standard Roof	13,069,000
-	
Toyota Hiace High Roof Commuter	14,959,000
-	
Toyota Hiace High Roof Tourer	17,059,000
-	
Toyota Hiace Luxury Wagon High Grade	21,029,000
-	

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Toyota Coaster 29 Seater F/L                        26,789,000
-
Toyota Prado TX 2.7L                                55,111,000
-
Toyota Prado VX 2.8L D                              60,111,000
-
Toyota Land Cruiser ZX Gasoline 3.5L                95,000,000
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Kia
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Kia SPORTAGE L ALPHA                                 8,899,000
-
Kia SPORTAGE L FWD                                  10,499,000
-
Kia SPORTAGE L HEV                                  11,299,000
-
Kia Picanto 1.0 AT                                   4,090,000
-
Kia Shehzore K2700 Grand Cabin                       7,499,000
-
Kia Shehzore K2700 King Cabin                        4,479,000
-
Kia Shehzore K2700 Standard Cabin                    4,259,000
-
Kia Stonic EX+                                       5,999,000
-
Kia Stonic EX                                        4,862,000
-
Kia Sorento 3.5 FWD                                 13,649,000
-
Kia Sorento 1.6T HEV FWD                            15,299,000
-
Kia Sorento 1.6T HEV AWD                            16,699,000
-
Kia EV5 AIR                                         18,500,000
-
Kia EV5 EARTH                                       23,500,000
-
Kia EV9 GT LINE                                     43,200,000
-
Kia Carnival 3.5L V6                                18,200,000
-
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Hyundai
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Hyundai H-100 Deckless                               4,395,000
-
Hyundai H-100 Flat Deck                              4,415,000
-
Hyundai H-100 High Deck                              4,435,000
-
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Hyundai Elantra Hybrid	9,895,000
Hyundai Tucson Hybrid Signature	12,240,000
Hyundai Tucson Hybrid Smart	11,220,000
Hyundai Sonata 2.0	10,330,000
Hyundai Sonata 2.5	11,545,000
Hyundai Sonata N Line 2.5 Turbo	16,521,000
Hyundai Santa Fe Signature	13,895,000
Hyundai Santa Fe Smart	12,450,000
Hyundai Palisade Hybrid Calligraphy	22,999,000
Hyundai Palisade Hybrid Smart	20,999,000
Hyundai Ioniq 5 EV	24,999,000
Hyundai Ioniq 6 EV	23,000,000

Isuzu

Isuzu D-Max Hi Rider M/T	10,990,000
Isuzu D-Max X Terrain	13,390,000
Isuzu D-Max V-Auto Plus Double Cab High Ride	10,790,000
Isuzu D-Max V-Cross G A/T	12,490,000
Isuzu D-Max V-Cross G M/T	11,890,000

Changan

Changan M9 Sherpa Power 1.2L	2,349,000
Changan Karvaan Plus 1.2	3,299,000
Changan Karvaan Comfort	3,149,000
Changan Alsvin 1.3L MT Comfort	3,789,000
Changan Alsvin 1.5L DCT Lumiere	4,499,000
Changan Alsvin Black Edition	4,999,000

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Changan Oshan X7 FutureSense 7 Seat           9,299,000
-
Changan Oshan X7 Comfort                      7,949,000
-
Changan Oshan X7 FutureSense                  8,699,000
-
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DFSK
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DFSK Glory 580 1.5 CVT                        5,610,000
-
DFSK Glory 580 1.8 CVT                        5,806,000
-
DFSK Glory 580 Pro                            6,790,000
-
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Prince
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Prince K07 S                                  2,550,000
-
Prince K01 S                                  2,070,000
-
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Haval
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Haval H6 1.5T                                 9,099,000
-
Haval H6 2.0T AWD                            10,449,000
-
Haval H6 HEV                                 11,749,000
-
Haval H6 PHEV                                12,895,000
-
Haval Jolion 1.5 T                            7,949,000
-
Haval Jolion 1.5 HEV                          9,295,000
-
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MG
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MG Cyberster GT (Dual)                       29,990,000
-
MG Cyberster GT (Single)                     26,990,000
-
MG 4 Essence                                 10,990,000
-
MG 4 Excite                                   9,799,000
-
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MG 5 EV SE Long Range                              13,490,000
-
MG HS 2.0T AWD                                      9,299,000
-
MG HS PHEV                                          9,899,000
-
MG HS Trophy                                        8,399,000
-
MG ZS EV MCE Essence                               10,990,000
-
MG ZS EV MCE Long Range                            14,999,000
-
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Audi
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Audi e-tron GT Standard                            58,000,000
-
Audi e-tron GT RS                                  57,000,000
-
Audi A6 e-tron Executive Edition Sportback         42,000,000
-
Audi A6 e-tron Signature Sportback                 29,000,000
-
Audi Q6 e-tron Performance                         42,000,000
-
Audi Q6 e-tron Signature                           27,800,000
-
Audi Q6 e-tron Special                             29,500,000
-
Audi Q6 S Line 55 TFSI quattro                     76,000,000
-
Audi Q2 1.0 TFS Exclusive Line                      7,250,000
-
Audi Q2 1.0 TFS Standard Line                       7,050,000
-
Audi Q3 35 TFSI Advanced                           21,900,000
-
Audi Q8 55 TFSI quattro                            86,500,000
-
Audi Q8 E-Tron 50 quattro (Electric)               38,500,000
-
Audi Q8 E-Tron 55 quattro (Electric)               38,950,000
-
Audi Q8 E-Tron Sportback 50 quattro
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` (Electric) 42,950,000 -

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Audi Q8 E-Tron Sportback 55 quattro
(Electric)                                         47,500,000
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WEEKLY COTTON REVIEW: PRICES DECLINE ON SURGE IN PRICES OF RAW COTTON

Published June 15, 2026 Updated about 6 hours ago

By Naseem Usman

KARACHI: Pakistan's cotton market has taken a significant hit as an increase in raw cotton supply has pushed prices down considerably. Cotton rates have dropped by 800 to 1,000 rupees per maund, while raw cotton, known locally as phutti, has also seen a decline of 300 to 400 rupees per maund. The fall in domestic prices mirrors a broader trend, as New York cotton futures have similarly recorded a downturn in international markets.

The ginning industry, already under financial pressure, had pinned its hopes on the current federal budget to deliver meaningful tax relief. The Pakistan Cotton Ginners Association had held meetings with the Finance Minister and ministers of relevant departments, from whom they received firm assurances that heavy taxes imposed on ginning factories would be reduced. Specifically, officials had promised to eliminate taxes on cottonseed, oil cake, and other animal feed by-products. However, when the budget recommendations were finally unveiled, these commitments were nowhere to be found, leaving the ginning community deeply frustrated. PCGA Chairman Sham Lal Manglani voiced strong disappointment, stating that the industry had been given clear assurances that were ultimately ignored without explanation.

Amid the gloom, one announcement has been received with cautious optimism. Prime Minister Mian Muhammad Shehbaz Sharif has announced the establishment of a Cotton Board, a move that industry stakeholder Sajid Mahmood has described as a welcome and positive development for the sector's long-term governance and growth.

Meanwhile, tensions are also running high over water distribution, as Sindh faces a 25 percent cut in its water allocation. Farmers and agricultural stakeholders have launched strong protests against the reduction, warning that it will severely damage crop cultivation, including the cotton harvest, across the province.

The local cotton market witnessed a bearish trend during the past week as a relative increase in seed cotton supply coincided with a decline in New York cotton futures, putting combined downward pressure on domestic prices. Seed cotton prices dropped by Rs. 300 to Rs. 400 per 40 kilograms, pulling cotton lint rates down by Rs. 800 to Rs. 1,000 per maund. Market activity remained subdued as ginning factories continued to operate at partial capacity, with transactions being dictated by delivery timelines. Prices for immediate and forward deliveries are currently moving at different levels, reflecting the uncertainty gripping the trade.

Factories running partially in Punjab are largely dependent on seed cotton sourced from Sindh, in addition to those already operating within the province. Market analysts believe that if seed cotton supply within Punjab improves, lint prices from the province will come under further pressure. Meanwhile, the cotton crop in Sindh is currently holding up in relatively better condition. Picking activity was encouraging in the early part of the season, supported by adequate water availability and firm prices, but a sharp water shortage has since set in and the crop now urgently requires adequate rainfall to sustain its condition.

Market sources report that the ongoing intense heat is causing noticeable variation in cotton staple length, with the fibre quality being described as uneven. Timely rainfall is expected to help stabilise and improve fibre quality in the weeks ahead.

On the regulatory front, the ginning industry had entered the current budget season with strong expectations of meaningful tax relief. The Finance Minister and ministers of relevant departments had personally assured delegations of the Pakistan Cotton Ginners Association that taxes levied on cottonseed, cottonseed cake, and other animal feed by-products would be removed. However, the final budget recommendations made no mention of these concessions whatsoever, leaving ginners deeply disappointed and disillusioned with the government's commitment to the sector.

Cotton prices across Pakistan have registered a notable decline, with the commodity trading at lower levels in both Sindh and Punjab amid subdued international market sentiment.

In Sindh, cotton is currently being traded at Rs 20,500 to Rs 20,800 per maund on a delivery basis, while seed cotton, locally known as phutti, is available at Rs 9,800 to Rs 10,500 per 40 kilograms.

In Punjab, cotton prices stand at Rs 22,000 to Rs 22,250 per maund, with phutti fetching Rs 10,500 to Rs 11,500 per 40 kilograms. Prices of cottonseed cake and cottonseed oil have also eased slightly.

The Spot Rate Committee of the Karachi Cotton Association has revised the official spot rate downward by Rs 500, setting it at Rs 21,000 per maund.

Karachi Cotton Brokers Forum Chairman Naseem Usman attributed the declining trend to bearish conditions in the international cotton market, noting that New York cotton futures are currently hovering between 72 and 78 US cents per pound.

According to the latest USDA weekly export and sales report, cotton sales for the 2025–26 marketing year totalled 207,000 bales, with Vietnam leading purchases at 83,300 bales, followed by Pakistan at 57,300 bales and India at 35,300 bales. For the 2026–27 marketing year, total forward sales reached 298,700 bales, with Vietnam again topping the list at 180,000 bales, Nicaragua in second place with 39,700 bales, and Turkey third with 28,600 bales.

Total export shipments amounted to 300,100 bales, with Vietnam receiving the largest share at 109,200 bales, followed by Pakistan at 49,400 bales and India at 35,800 bales.

The recent announcement by Prime Minister Mian Muhammad Shehbaz Sharif regarding the establishment of a Cotton Board is a welcome and encouraging development in view of the serious challenges confronting Pakistan's cotton sector. This was stated by Sajid Mahmood, Head of the Technology Transfer Department at the Central Cotton Research Institute (CCRI), Multan, during a telephonic conversation with renowned cotton analyst Naseem Usman.

According to him, if the proposed Board is provided with a clear mandate, effective authority, and a strong scientific foundation, it has the potential to become a significant milestone in the revival and development of Pakistan's cotton sector.

Sajid Mahmood noted that the persistent decline in cotton production, the limited availability of quality seed, the growing impact of climate change, and the challenges facing research and development necessitate that the Cotton Board should not remain merely a ceremonial body. Rather, it should be entrusted with an active role in national policymaking, research coordination, and the strengthening of the entire cotton value chain.

He further emphasized that the inclusion of distinguished scientists and experts with strong backgrounds in cotton research, biotechnology, and agricultural policy is essential for the Board's effectiveness. In particular, eminent scientists such as Dr. Yusuf Zafar, former Chairman of PARC and Vice President of PCCC, Dr. Mahboob-ur-Rehman of NIBGE, and Dr. Idrees Ahmad Nasir, former Director of CEMB, possess the experience, expertise, and scientific insight necessary to provide the Cotton Board with a strong technical and scientific foundation. Their participation would greatly assist the Board in addressing future challenges and promoting evidence-based decision-making.

Sajid Mahmood also stressed the importance of balanced representation from cotton growers, the Pakistan Cotton Ginners Association (PCGA), the seed industry, the textile sector, agricultural research institutions, and provincial departments, ensuring that the entire cotton value chain is effectively represented on a single platform.

He expressed the hope that if the Cotton Board is constituted on professional, scientific, and non-partisan principles, it will not only contribute to improving cotton production and quality but will also play a pivotal role in strengthening Pakistan's economy and textile industry.

The Sindh Abadgar Board (SAB) which met here on Monday under the chairmanship of its President Syed Mahmood Nawaz Shah resented the recent decision of Indus River System Authority (Irsa) to arbitrarily reduce water flows to Sindh by 25pc.

It deplored that such a decision was taken despite surplus water being available in the system, and that too at a time when water requirement would be reaching its peak in coming days.

The board urged Irsa to take a prudent step and release already available water to Sindh without further delay to prevent any major losses to the Kharif crops.

OPEN MARKET FOREX RATES

Updated at: 15/6/2026 8:03 AM (PST)

Currency	Buying	Selling
Australian Dollar	193.79	198.75
Bahrain Dinar	736.75	747.85
Canadian Dollar	197.57	207.05
China Yuan	38.05	38.80
Danish Krone	43.39	43.79
Euro	322.43	328.45
Hong Kong Dollar	35.01	36.01
Indian Rupee	2.80	3.10
Japanese Yen	1.7114	1.8161
Kuwaiti Dinar	886.85	896.99
Malaysian Ringgit	67.05	67.90
NewZealand $	160.15	164.88
Norwegians Krone	27.88	28.18
Omani Riyal	722.00	732.32
Qatari Riyal	75.04	76.35
Saudi Riyal	74.20	74.80
Singapore Dollar	214.65	219.64
Swedish Korona	30.27	30.57
Swiss Franc	346.94	351.95
Thai Bhat	8.45	8.65
U.A.E Dirham	75.80	76.80
UK Pound Sterling	373.92	378.90
US Dollar	278.45	279.35

INTER BANK RATES

Updated at: 15/6/2026 8:03 AM (PST)

Currency	**Bank Buying TT Clean**	**Bank Selling TT & OD**
Australian Dollar	195.89	196.24
Canadian Dollar	199.14	199.50
China Yuan	41.14	41.21
Danish Krone	42.99	43.16
Euro	321.99	322.57
Hong Kong Dollar	35.51	35.57
Japanese Yen	1.7334	1.7397
Saudi Riyal	74.13	74.26
Singapore Dollar	216.65	217.04
Swedish Korona	29.45	29.50
Swiss Franc	349.71	350.33
Thai Bhat	8.48	8.50
UK Pound Sterling	372.27	372.94
US Dollar	278.25	278.75

GOLD RATE

Bullion / Gold Price Today

As on Thu, Jun 11 2026, 19:58 GMT

Metal	Symbol	PKR for 10 Gm	PKR for 1 Tola	PKR for 1 Ounce	
Gold	XAU	369,170	430,143	1,148,267	
Palladium	XPD	111,193	129,558	345,856	
Platinum	XPT	151,992	177,095	472,756	
Silver	XAG	5,808	6,767	18,064	

for local market Gold Rates in Pakistan

Gold Price in Pakistan

As on Thu, Jun 11 2026, 19:58 GMT

Gold Rate	24K Gold	22K Gold	21K Gold	18K Gold
per Tola Gold	Rs. 430100	Rs. 394255	Rs. 376338	Rs. 322575
per 10 Gram	Rs. 368800	Rs. 338064	Rs. 322700	Rs. 276600
per Gram Gold	Rs. 36880	Rs. 33806	Rs. 32270	Rs. 27660
per Ounce	Rs. 1045500	Rs. 958368	Rs. 914813	Rs. 784125

Gold Rate

FOREX.pk offered latest and upto date Gold Rate in Pakistan as per International market for today gold rates in Pakistan you can visit GOLD.pk, We update international market gold rate in every fifteen minutes from authentic sources, Gold rates may be different in every city of Pakistan. Karachi is the main hub of gold market, in Pakistan, Karachi is leading for gold rate, every city follow Karachi Sarafa Bazar Association for gold price, Today gold prices for different cities including Karachi, Lahore, Islamabad, Peshawar, and Quetta are also available on Gold.pk. FOREX.pk is not liable or responsible to any transactions made on the basis of above mentioned gold rate.

* Above Gold rate are taken from International Market so there may be some fluctuation from Local Market you can visit GOLD.pk for uptodate today gold price in Pakistan.

Gold Rates in other Major Currencies

Currency	Symbol	10 Gm	1 Tola	1 Ounce	
China Yuan	CNY	8,985	10,469	27,946	
Euro	EUR	1,148	1,338	3,572	
Japanese Yen	JPY	212,825	247,976	661,972	
Saudi Riyal	SAR	4,973	5,794	15,468	
U.A.E Dirham	AED	4,870	5,675	15,148	
UK Pound Sterling	GBP	990	1,154	3,081	
US Dollar	USD	1,326	1,545	4,125	